SESSIONAL PAPER
No. 77 of 1956/57

Kenya colony and protectorate.

THE
DEVELOPMENT PROGRAMME
1957/60

INTERNATIONAL MONETARY FUND

37480

7R
338.91
K42da

CONTENTS

PARAGRAPHS

CHAPTER I—THE PLANNING PROBLEM

General Objectives—Capital Requirements—Division of Functions—Development Priorities—Agricultural Development—The Standard of Living—The National Debt 1–30

CHAPTER II—THE GROWTH OF THE ECONOMY, 1946–56

Introduction 31–40

Geographical Income and Net Product 41–44

Population and Employment 45–50

Employment and Manpower 51–57

External Trade 58–62

Production 63–68

Communications 69–73

Finance 74–78

CHAPTER III—FUNDS AVAILABLE FOR DEVELOPMENT 79–84

CHAPTER IV—THE EXPENDITURE PROGRAMME, 1957–60

Introduction 85–87

Outline and Analysis of the Programme 88–99

Chief Secretary

(1) Staff Housing 100–106

(2) Government Offices 107–110

(3) Parliament Buildings 111

(4) Broadcasting Services 112–119

Minister for Legal Affairs

(5) Judicial Buildings and Crown Law Office 120–123

Minister for African Affairs

(6) Administration Buildings 124–130

(7) Sociological Research 131–133

(8) East African School of Co-operation 134

Minister for Agriculture, Animal Husbandry and Water Resources

Introduction 135–141

Summary of Development Proposals 142–145

Proposed Allocations 146–148

Proposed Division of Allocations 149–151

(9) Agricultural Services 152–162

CONTENTS—(*Contd.*)

PARAGRAPHS

(10) Veterinary Services .. 163–171
(11) Water Development .. 172–176
(12) Land Bank and Development Loans .. 177–178
(13) Produce Storage .. 179
(14) Intensified Development of African Agriculture (Swynnerton Plan) .. 180–183
(15) Accelerated Swynnerton Plan .. 184

Minister for Internal Security and Defence

General .. 185–188
(16) Police Buildings .. 189–191
(17) Prison Buildings .. 192–196
(18) Military Buildings .. 197–201

Minister for Local Government, Health and Housing

General .. 202–203
(20) Local Government Loans Authority .. 204–206
(21) African Housing .. 207–209
(22) Grants for Social Services .. 210
(23) Medical Services .. 211–220
(24) Hospital Capital Grants .. 221–223
(25) Township Sewerage Schemes .. 224–225
(26) Welfare Projects .. 226

Minister for Education, Labour and Lands

Introduction to Proposals for Educational Development .. 227–230
The Educational Programme, 1957–60 .. 231–236
(27) European Education .. 237–239
(28) Asian Education .. 240–242
(29) Arab Education .. 243–244
(30) African Education .. 245–250
(31) Technical and Trade Education .. 251–255
(32) Education—Special Schemes .. 256–257
(33) Labour Department Buildings .. 258
(34) Survey Department Buildings .. 259

Minister for Forest Development, Game and Fisheries

General .. 260–262
(35) Forestry Development .. 263–268

CONTENTS—(*Contd.*)

PARAGRAPHS

(36) Game Department 269

(37) Fishery Development 270–275

(38) National Parks 276–278

Minister for Commerce and Industry

General 279

(39) Post Office Renewals Fund 280

(40) Geological Survey 281–284

(41) Industrial Development 285–287

(42) Nyeri Electricity Undertaking 288–291

(43) Malindi Electricity Project 292

(44) Nairobi Airport 293–297

(45) Embakasi Housing Estate 298–299

(46) Mombasa Airport 300–301

(48) Miscellaneous Aerodromes 302–303

Minister for Works

General 304–305

(50) Public Works Department 306–310

(51) Roads 311–312

(52) Public Works Non-Recurrent 313

(53) General Works Staff 314–318

Minister for Community Development

Introduction 319–323

Proposed Allocations, 1957 60 324

(54) Community Development Field Projects 325

(55) Jeanes Schools 326–327

(56) Juvenile Remand Homes 328

(57) Approved Schools 329

(58) Probation Hostels 330

Minister for Finance and Development

(59) Central Stores and Transport Organization 331

CHAPTER V—THE RECURRENT IMPLICATIONS OF THE PROGRAMME .. 332–340

APPENDIX A—POTENTIALITIES AND ACHIEVEMENTS OF THE SWYNNERTON PLAN.

APPENDIX B—GOVERNMENT OFFICE ACCOMMODATION.

APPENDIX C—GOVERNMENT STAFF HOUSING.

INDEX OF TABLES

Table No. *Page*

1.—Kenya—Net Product, 1947–55 .. 11
2.—Kenya—Net Product in Percentage Form, 1947–55 .. 12
3.—Kenya—*De facto* Civil Population Estimates as at Mid-Year 1946–55 13
4.—Kenya—Reported Annual Wage Bill in Private and Public Employment, 1955 .. 15
5.—Kenya—Principal Domestic Exports, 1946, 1952 and 1955 .. 17
6.—Kenya—Production of Timber, Cement and Electricity, 1946–55 .. 18
7.—Forecast of Available Funds, 1957–60 .. 21
8.—Summary of Development Programmes by Ministries .. 25
9.—Summary of Development Programmes by Main Heads of Expenditure 27
10.—Summary of 1957–60 Development Proposals to show Estimated Net Works Cost, P.W.D. Works Programme and Gross Cost of Proposals including Works Charges .. 32
11.—Economic Classification of Development Expenditure, 1954–57 and 1957–60 .. 35
12.—Allocations—African Affairs, 1957–60 .. 46
13.—African Agriculture—Increased Acreages and Farm Receipts under the Cash Crops Programme .. 48
14.—Allocations—Agriculture, Animal Husbandry and Water Resources 50
15.—Allocations—Agricultural Services .. 51
16.—Allocations—Veterinary Services .. 52
17.—Allocations—Water Development .. 54
18.—Proposed Expenditure—Swynnerton Plan, 1957–60 .. 56
19.—Allocations—Accelerated Swynnerton Plan .. 57
20.—Summary of Proposed Security and Defence Allocations .. 60
21.—Kenya—Schools and School Population, 1946 and 1955 .. 65
22.—Kenya—School Teaching Staff, 1946 and 1955 .. 66
23.—Allocations—European Education .. 67
24.—Estimates of Additional Places available by June, 1960—European Schools .. 68
25.—Allocations—Asian Education .. 69
26.—Allocations—Arab Education .. 70
27.—Allocations—African Education .. 71
28.—Allocations—Technical and Trade Education .. 72
29.—Allocations—Education, Special Schemes .. 73
30.—Allocations—Forestry Department .. 75
31.—Allocations—Game Department .. 75
32.—Allocations—Fisheries .. 76
33.—Allocations—Commerce and Industry .. 78
34.—Allocations—Ministry of Works .. 83
35.—Public Works Department Development Programme .. 84
36.—Selected Road Authority Development Projects .. 85
37.—Contributions to Cost of General Works Staff .. 86
38.—Allocations—Community Development .. 88
39.—Estimated Recurrent Cost of the Development Programme by Mid-1960 .. 91
40.—Estimated Relending Programme, 1957–60 .. 92

THE DEVELOPMENT PROGRAMME, 1957/60

CHAPTER I—THE PLANNING PROBLEM

General Objectives

A development programme sets out the concrete tasks to be achieved in a given period. In Kenya this means that it is primarily a budget of capital receipts and outlays, which enables continuity in economic planning to be achieved by making it less dependent on those economic and political considerations which inevitably shape the annual recurrent budget. The preparation of a programme enables general objectives to be seen more clearly and co-ordination to be achieved between the various aspects of development, while the programme itself shows how the objectives of policy can be reached.

2. When presenting the 1954–57 development programme the Government reviewed very fully in Sessional Paper No. 51 of 1955* the problem of development and the need for development planning, as well as the history of the growth of development planning in Kenya. In view of this full discussion of the subject, it is not the intention to cover the same field of discussion again, except to the limited extent necessary to introduce the present development programme.

3. The first two decisions which the Government has to make when considering a development programme are, firstly, how far ahead to plan, and secondly, what resources can be assumed to be available. In taking these decisions, the Government must bring into account the activities of the private sector of the economy, the resources of the country which are awaiting development, and the probable effects of the public investment programme on the private investor. In an underdeveloped country, development planning is particularly an exercise in directing to the best possible uses all available resources—whether of land, manpower, capital, or managerial and administrative ability.

4. When planning development in Kenya it is necessary to recognize the division of functions between the public and private sectors of the economy; the division in the public sector between the territorial Government of Kenya and the East African interterritorial co-ordinating body, that is the East Africa High Commission; and the extent to which local government authorities have now been able to undertake services previously performed by the central territorial Government in the absence of local government authorities.

5. The policy of the Government of Kenya is based on the encouragement of development mainly through private enterprise. But it must be emphasized that in underdeveloped territories it is necessary for a government which wishes to encourage economic development not only to remove natural disadvantages, but to provide those basic services which already exist in more developed economies. The problem is to arrive at a position where the cumulative process of investment leads to higher production, higher incomes and increased consumption, which in turn leads to further investment; thus development becomes a cumulative process. To set and keep these forces in motion, there has to be a continuing injection of imported capital and skill.

6. For these reasons, the size of the public sector and, of course, its capital requirements, becomes proportionately larger than may be regarded as desirable in a more developed economy. The high level of Government expenditure on agriculture, water development and communications is one instance of this form of pump-priming. Again, although in Kenya the generation of electric power falls primarily in the private sector of the economy, there are certain undertakings

---

* Government Printer, Nairobi, 1955.

which are fundamental to development but which, unaided, are not sufficiently attractive to private enterprise. In such cases it becomes necessary for the Government either to assist financially, or to operate the scheme in full. Public investment consequently requires a proportion of the total resources which by some standards may be considered excessive, but which is inevitable at the present stage of development.

Capital Requirements

7. The main problem which now faces the Government in planning development is the availability of development capital. The extent to which this can be provided by the local market is extremely limited—even though it is relatively high for a colonial economy owing to the organization of the local money market in the last few years. The public sector could usefully employ £16.0 million per year on essential projects for Kenya's territorial services, but the local market cannot provide more than a small portion of this sum. It is indeed true that without natural resources finance is of little value. But it is also true that without finance it is rarely possible to develop natural resources.

8. The possibility of public saving by a budget surplus has temporarily disappeared as a result of the Emergency. The recurrent commitments arising from the Emergency are such that during the next few years there is little prospect of any substantial surplus on Colony account to assist in financing the development programme. It is necessary, therefore, for both public and private enterprise to look for external sources of development capital to supplement local capital. Useful infusions of capital are taking place from countries other than the United Kingdom—but it is to London that the Colony will have to look for the great bulk of the capital requirements of both the public and private sectors. The rate of development of Kenya will be controlled to a large extent by the ability of London to continue to fulfil its role of financing both public and private enterprise.

9. The nature of the problem may best be realized if some instances are given of specific capital requirements. In the sphere of communications the new Nairobi airport will have required over £2.0 million, and £0.25 million will be required for improvements to Mombasa airport to enable larger and faster aircraft to land. In the field of urban development over £4.0 million has been spent on a new water supply for Mombasa, and over £0.5 million will be required for a sewerage scheme. The Nairobi African Housing Project will require over £2.25 million of capital from local and central government sources and still larger sums could be employed on urban African housing were they in fact available. The Road Authority would wish to spend £2.0 million per year on road improvements, but it is unlikely that more than a third of this sum can be made available. The programme of educational expansion alone would employ £2.0 million per year of new capital if this could be made available.

10. These requirements, both private and public, are arriving on the London market at a time when heavy capital requirements are being presented by other East African territories and administrations. The availability of development capital for East Africa, however, is limited not only by the overall capacity of the London market, but also by the disinclination of London investors to invest more than a certain proportion of their total investment resources in any one geographic region.

11. The difficulty of obtaining capital for development is not confined to Kenya. Nevertheless, Kenya and the rest of East Africa have obtained a fair share of funds available on the London market. For example, in the last five years, out of a total amount of £157,000,000 raised by all Dominions and Colonies in London, East Africa has obtained £52,000,000—or one-third of the total and of the latter sum, Kenya itself has raised about one-third. The East African

share includes the borrowings of the East African Railways and Harbours Administration. But as indicated in the Colonial Office Commentary on the Despatches on the Royal Commission Report*, a sum in the region of £250,000,000 could be fruitfully applied to development in East Africa in the 1955–60 period. If, therefore, Britain's present financial position and the measures taken to restrict borrowing on the London market are taken into account, it seems unlikely that, during the next few years, Kenya will be able to raise more loan money in London than she has raised during the last few years.

12. It was a characteristic of public development planning prior to 1953, as has been shown in paragraph 33 of Sessional Paper No. 51, that not only could a proportion of development expenditure be met from domestic surpluses, but that certain loan moneys were known to be available for a considerable period ahead. These conditions no longer exist. Experience has also shown that it becomes unrealistic to plan expenditure too far ahead. For these reasons, three years is now considered to be the maximum period for which it is prudent to prepare a development programme. At the same time, even though it would be possible to employ as much as £50.0 million on highly desirable projects, the Government does not consider it prudent to plan on the basis of more than about £23.0 million for the period.

Division of Functions

13. The present division of functions between the public and private sectors of the economy can be defined reasonably clearly—but the size of total capital requirements in the private sector and the marginal profitability of certain schemes mean that, in practice, a certain amount of public capital must be invested in the private sector, either in the form of loans or grants to private enterprise, if this sector is to function efficiently. With certain exceptions the private sector of the economy includes agriculture, industry, commerce and electric power. The public sector includes communications (by road, rail and air, but with a few exceptions in the field of private enterprise), agricultural services, water supplies and irrigation schemes, forestry and fishery development, and national parks, as well as the normal basic services, such as postal services, which are rendered by any Government. In addition to the provision of services, the assistance rendered by public capital to the private sector takes the form of loans to industry through the Industrial Development Corporation; loans to agriculture under the Agriculture Ordinance and the Swynnerton Plan, through the Agricultural Land Bank and the European Settlement Board; participation in produce marketing through the Meat Commission, the Maize Control and other bodies; and loans to African traders and to co-operative societies. In other cases, Government renders assistance by guarantees of bank overdrafts.

14. In the social field, the Government provides extensive educational and hospital services, as well as considerable grants to schools and hospitals. In the sphere of community development, Government is providing substantial assistance to adult education. In the field of local government and housing, Government finances substantial housing programmes, and provides grants for social services of local as well as general benefit.

15. With regard to Information Services, the Government maintains a considerable number of English and vernacular news sheets and periodicals; in addition, it is responsible for broadcasting services for Africans and Arabs. European and Asian broadcast programmes are at present provided by Messrs. Cable and Wireless Ltd. in accordance with the terms of an agreement between that company and the Postmaster-General. It is proposed that during the present planning period these Cable and Wireless services should cease and that they should be replaced by a service supplied by a Government organization especially established for that purpose. Licence fees, 11/12ths of which are now paid over to Messrs. Cable and Wireless, will then be paid into the Colony's revenues.

---

* CMD 9804. (H.M.S.O., London, 1956.)

16. Among the services in the public sector, the East Africa High Commission is responsible for Railways, Postal Services, Meteorological Services, Locust Control, Statistical Services and a number of research services. Of these inter-territorial services the Railways are indisputably the most important from the viewpoint both of capital requirements and development planning. In the local government section of the public sector, Kenya local authorities undertake a measure of responsibility for water supplies, drainage, sewerage, roads, fire services, markets and public health—although development capital for these authorities, with the exception at present of the Nairobi City Council, has to be found by the Government through the Local Government Loans Authority. This means, ultimately, that the capital requirements are reflected in the Central Government's development plan.

17. Excluding those services which are rendered by the High Commission, the Government has to consider the proportion of the total resources which should be allotted to each of the services for which it is responsible. It has to consider the sums which can be made available for relending to local authorities through the Local Government Loans Authority and the Central Housing Board, to industry through the Industrial Development Corporation, to agriculture through the Land Bank and the African Land Development Board and other bodies, and by way of grants to social services.

Development Priorities

18. In the Development Programme for 1954–57 the development priorities were assessed as (i) security buildings, (ii) short-term economic projects, (iii) long-term economic projects, (iv) social service projects. On the basis of these priorities it is estimated that 13.00 per cent of the total funds available within the plan will have been spent on internal security and defence; 22.21 per cent will have been spent on agriculture, animal husbandry and water resources; 14.66 per cent on education, labour and lands; 11.18 per cent on local government, health and housing; and 18.91 per cent on works, with lesser proportions for other portfolios. But the three-and-a-half-year development programme which provides for expenditure of about £22.0 million does not represent the full Government programme of capital expenditure. The full programme totals £35.5 million and, as outlined in Table 3 of Sessional Paper 97 of 1955, includes expenditure on the Mombasa Water Supply Major Project, the Swynnerton Plan for the intensified development of African Agriculture, and the Central Housing Board. After the revised estimated expenditure on these other programmes has been added, the adjusted percentages of estimated expenditure become 8.18 per cent for internal security and defence; 39.82 per cent for agriculture, animal husbandry and water development; 9.20 per cent for education, labour and lands; 16.16 per cent for local government, health and housing; and 13.94 per cent for works. The works expenditure includes 8.11 per cent of total expenditure on roads, and 4.57 per cent on the General Works Staff providing works services.

19. Since 1954, the security situation has improved substantially. The preservation of law and order is still a matter of prime importance to peaceful economic development, but the proportionately high expenditure on security buildings under the 1954–57 programme has reduced the need to spend at the same rate in the new programme. The primary consideration now is to develop, as a matter of urgency, those economic activities which will provide the means to service the capital required for further long-term economic projects and desirable social services. The potential capital requirement for these projects and services is so great that at present levels of economic development the economy can neither generate the income to service the necessary loans nor the necessary physical exports to balance the external payment position.

20. Such an income and exports are most easily generated where mineral deposits offer the prospect of rapid development. The possibility of large mineral discoveries in Kenya cannot completely be discounted. There are still large areas which are unsurveyed geologically, and as has been shown in paragraph 8 of Sessional Paper No. 51 of 1955, the Government is well aware of the need to press forward with the primary geological survey. But the economic development of a country must be planned on the basis of those known assets and advantages which can be readily developed. In Kenya these consist primarily of agriculture, forests, wild animal life, the climate, suitable conditions for secondary industries based on an agricultural economy, and the capacity, which is aided by the geographical position, to provide administrative and transport services for the other East African territories.

Agricultural Development

21. The primary emphasis in the new development programme continues to be placed on the development of the more immediately profitable of these assets, and particularly agriculture. The creation of a healthy and soundly based agricultural system is considered vital not only for economic prosperity but also for social and political stability. A concentration on the development of agriculture is in accordance with the policy of employing the limited supply of available resources of skilled manpower to the maximum advantage. Agricultural development, as compared to industrial urban development, makes a relatively small demand for basic services and skilled manpower, in relation to potential productivity. For example, expenditure on the intensified development of African agriculture under the Swynnerton Plan largely takes the form of salaries of agricultural extension staff. There are no consequent demands for the provision of expensive and extensive urban services, or for large quantities of skilled manpower to provide and man these services. A concentration on agricultural development for a number of years should allow time for the country to build up a reservoir of skilled manpower for non-agricultural development at a later date. In brief, in a country where manpower resources are limited but expanding; where the development of land does not yet suffer from the operation of diminishing returns; where the supply of skilled manpower is growing slowly; where many of the materials for non-agricultural development have to be imported from overseas at considerable expense; and where mineral development on a large scale is not yet possible; then a concentration on agricultural development is the obviously correct policy.

22. But although substantial sums are provided for the development of Kenya's natural assets it is not desirable to develop them to the complete exclusion of the development of social and economic services. The limited funds available, and the primary need to produce an income which will pay for further development, must necessarily restrict the size of the allocation which in other circumstances would have been made for longer-term economic projects and social services. But within these limitations allocations for development of these projects and services have been made.

23. It has been said that more than half of capital formation consists of work in building and construction, and in any public capital programme there is always a tendency to invest a high proportion of total expenditure in bricks and mortar. In the preparation of the present programme careful consideration has been given to this point. The capacity of the Kenya building industry is strictly limited by the supply of both materials and skill. Substantial building programmes are in hand on private account, and a watch has to be kept on the size of the public building programme in order to avoid an inflation of building costs. In the revised development programme for 1954–57 the capacity of the Public Works

Department for new work, including work put out to private contract by the Public Works Department, was estimated at approximately £2.75 million per annum. In the new plan the demand on the Public Works Department is unlikely to exceed £2 million per annum. If development is to proceed, moreover, it is necessary to include an element for staff housing, without which suitable staff cannot be recruited and retained. Provision has, therefore, been made for additional staff housing, although the quantity to be provided is still well below that which could be desired. It is hoped, however, to interest private enterprise in the construction of housing, either for rental by Government, or for purchase by Government employees.

24. The Government recognizes that the shortage of capital and the cost of the loan charges to the Colony are limiting factors on development, but they are factors which must be faced realistically. At present, further additional provision on social services or on long-term economic services would be neither realistic nor financially sound. A programme of capital expenditure which had neither of these qualities could not hope to appeal to the overseas investors who must finance the greater part of it. For the same reason, the Government does not consider it prudent to embark at present on certain new schemes which have been proposed, but which do not offer prospects of a relatively early economic return. In the meantime, the present programme will permit an expansion of physical resources and capacity, and thus reduce the risk that when additional money capital becomes available, an accelerated programme and a shortage of physical resources may then cause an inflation of costs. At the present juncture there are some advantages in the moderate pace of development which financial circumstances are imposing on Kenya.

The Standard of Living

25. None the less, even a moderated programme should enable the growth of the economy to be maintained at a sufficient rate to provide the inhabitants of the country with a continuing improvement in the general standard of living, and a continuing rise in the real income per head. Over the last few years the real increase in the geographical income, allowing for price increases, has been at an average rate of 10 per cent per annum. The population increase on the other hand is only estimated as of the order of 2 per cent per annum. It is unlikely that there will be any appreciable variation in the rate of population increase in the course of the next few years. So long as the percentage rate of growth of the economy, after adjustments for price increases, exceeds 2 per cent per annum, an overall rise in real income per head and the general standard of living can be expected.

26. In drawing up this programme, the apparently adverse visible trade balance of Kenya, and the possible effects of world price fluctuations in primary commodities upon Kenya's terms of trade have not been overlooked. In view of the fact that Kenya is a constituent member of the East African Customs Union it is almost impossible to separate her trade figures from those of the other East African territories, but there is no doubt that Kenya has a substantial favourable balance of exports and re-exports of both goods and services to other East African territories which is not reflected in the external trade returns. In considering the balance of payments in relation to development, the significant figure is the payment balance of East Africa as a whole and not of any one territory. In connexion with the programme of railway development, the Economist Intelligence Unit has recently reported on future trade trends, both as to volume and as to terms of trade for East Africa as a whole.* The conclusion of the unit is

---

* The Economy of East Africa—A Study of Trends prepared by the Economist Intelligence Unit for the East African Railways and Harbours Administration (Nairobi, 1955).

that the volume of exports of agricultural commodities and minerals is expected to increase—in Kenya and Uganda at a faster rate of increase than previously. The terms of trade may move moderately against East Africa in the future, so that the overseas purchasing power of exports may not rise quite so fast as the volume of exports. The probable extent of this does not appear to represent a serious danger to the economy. But in order to remain competitive in her export markets in any price recession that may occur in the future, it is essential that above all Kenya should endeavour to preserve a flexible cost structure in her export industries.

The National Debt

27. From this forecast there is every reason to hope that given stable political conditions, the plans for the further development of Kenya are based on sound economic grounds. In relation to the total estimated size of the national income, the Kenya national debt is not large. In relation to the estimated cash geographical income of £120.0 million, the gross debt service charge in 1956 represents approximately 1.6 per cent of the geographical net product—a figure that is well within the ratio which prudent management requires.

28. In drawing up this programme it has been necessary to make certain assumptions as to trends and investment in the private sector of the economy. It is, perhaps, unfortunate that so little can be ascertained about private investment plans. Although a considerable quantity of minerological investigation is now in progress, it has been assumed that no new major project will be exploited before 1960. As a consequence, it has been assumed that development will continue to depend on agricultural production, and on the growth at the present rate until 1960 of processing industries and industries manufacturing consumer goods for a primarily agricultural economy, although there will be a growing trade with adjacent territories. In the field of communications, allowance has been made for the introduction of larger and faster aircraft by world airlines, and within the limits imposed by available funds, provision has been made to improve the roads required to move the expanding agricultural output.

29. It may be suggested that in the private sector the encouragement of external capital is not compatible with the encouragement of indigenous enterprise. To this suggestion the answer is that the present field of investment is sufficiently large to provide adequate opportunities to all forms of enterprise which are on offer, and positive encouragement is being given by Government to all forms of private enterprise. For example, in the industrial field, facilities are available for assisting private industrialists; in commerce, loan schemes exist to help African traders; in agriculture, substantial support is given to individual farmers, to co-operative societies and to marketing organizations.

30. The chapters which follow are divided into two parts. The first part shows the growth of the economy in the past 10 years in terms of output and expansion, which provides the background to the present development programme. It includes details of the national income, external trade, population and employment, communications and finance. The second part shows what the Government hopes to achieve in the next three years and sets out the Government development expenditure programme for the period 1957–60, explaining the detailed application of the various allocations in relation to present development expenditure. It should be stressed that these allocations are not final and inflexible, and may be modified by the Government if conditions so require during the course of the programme.

CHAPTER II—THE GROWTH OF THE ECONOMY—1946-56

Introduction

31. Formal development planning began in Kenya with the ten-year programme which was begun in 1946 under the auspices of the Development and Reconstruction Authority. The history of this programme has already been described very fully in Sessional Paper No. 51, which also describes the termination of the programme in 1953 and its conversion into the three-and-a-half-year programme for 1954–57.

32. But this is the first occasion on which it has been possible to review the remarkable expansion of the economy which has taken place during these 10 years of formal development planning. The period covered by these 10 years has not only seen the years of rapid post-war expansion, but also a major internal military Emergency which has occupied not less than three years out of the ten. Despite this Emergency, the growth in the economy during this period has still been remarkable. A substantial measure of this progress is undoubtedly due to the economic decisions taken under the previous development programmes, and a review of the extent of this progress will serve to place the 1957–60 programme in its proper economic and historical perspective.

33. In 1946, Kenya was recovering from the effects of six years of war. The early war years had a stifling effect on the Kenya economy. Shipping was short, imports were scarce, and the export crops, such as coffee, could not be moved. But the development of the war in the Middle East reversed this tendency. When the Minister of State was appointed to the Middle East in 1942, Kenya began an all-out production drive, particularly of cereals, in order to feed the Imperial troops, and various new marketing organizations developed under this impetus. By 1946, Kenya was ready for a further step forward: a step which would take the country still farther away from the depression years of the nineteen thirties when development was almost at a standstill.

34. The remarkable measure of growth which has taken place since formal development planning began is best shown by the increase in the geographical income of the country. This has risen between 1947 and 1955 according to estimates, from £53.0 million to £150.0 million, a rise of 190 per cent in eight years, or an average annual rise of over 23 per cent in money terms. Imports, which were valued in 1946 at £14.0 million, had risen to £72.0 million by 1955, an increase in value of over 400 per cent. Exports also expanded in value by some 260 per cent over the 10-year period.

35. Other statistics show a similar tendency. In 1946 the deposits in commercial banks were four times as great as in 1938. Over the same period the East African Currency Board increased threefold the quantity of currency in circulation. The gross value of the output of non-African agriculture is estimated to have risen from £7.0 million in 1946 to £23.0 million in 1955, an increase of more than three times. In the commercial field, 270 new companies were formed on the average in each year of the period, and some £3.5 million-worth of new buildings have been completed each year.

36. It is, of course, a fact that all this growth has taken place during a period of inflationary pressures, and that the measure of growth when expressed in real terms is less than when expressed in monetary terms. One indication of these pressures is the rise over the period in the cost-of-living index for Nairobi based on European family budgets. This index, which excludes the rent element in family budgets, has risen by some 67 per cent since 1946, or an average rise of 7.4 per cent per annum. The increase in the cost of foodstuffs has been 80 per cent, while, for example, the change in the cost of imported clothing has been less than this. Another indicator is the change in the unit prices of exports which,

between 1946 and 1955, increased by about 80 per cent. Between 1950 and 1955 the overall rise was only 13 per cent, but there were numerous fluctuations of which the highest was in 1951 when the price per unit of exports was one-third higher than in 1950. In the light of these figures it will be seen that the rise in the Nairobi cost of living index is not excessive by comparison with comparable indices in other developing countries.

37. But a glance at the non-monetary quantitative indices of expansion will show that the growth is still remarkable, even after discounting the effects of rising prices. The consumption of electricity has increased by about 500 per cent. The industrial labour force employed in secondary industries has grown to over 57,000 persons. The acreage under wheat has expanded by 78 per cent from 195,000 to 341,000 acres. The number of livestock on non-African farms has increased by 44 per cent from 530,000 in 1946 to 765,000 in 1955, while the output of cattle for slaughter has increased by 150 per cent. Cement production has grown from nothing in 1946 to 128,634 tons in 1955 and estimated consumption has expanded from 21,803 tons in 1946 to 192,821 tons in 1955, a rise of 770 per cent.

38. It must not be assumed that throughout the period the terms of trade have always moved in Kenya's favour, or that the prices of agricultural produce have continued to rise more steeply than those of industrial goods. In the first part of the 10-year period the terms of trade moved in Kenya's favour as the price of agricultural produce rose more steeply than that of industrial goods. Around the middle of the period with the fall in the price of sisal the terms of trade moved against Kenya, but the position improved in 1954 with the high prices which were being received, particularly for coffee. At present, the terms of trade are in Kenya's favour, but it is not expected that such a favourable position will remain during the next few years. None the less, it is clear that moderately unfavourable terms of trade at times have not stopped the rapid rate of economic progress.

39. The necessary resources to enable further development to take place have been growing at the same time. In 1946 the population was estimated at 5¼ million persons. By 1955 it is estimated that the African population will have grown by 14 per cent to 5.9 million and the non-African population by 67 per cent to 233,000. Of the African population it is now estimated that some 1.25 million are adult males of working age, of whom some 415,000 are already in employment other than on their own peasant holdings. Capital investment in the form of imports of capital goods has been running at the rate of about £20.0 million per annum, of which approximately one-half is on private account, and it is estimated that in 1955 total capital formation was of the order of some £40.0 million, distributed widely between buildings, machinery, agricultural development, water supplies, transportation and industrial development. Land is not, of course, an inexhaustable resource. But much has been done to improve the utilization and increase the productivity of both agricultural and industrial land, and the nature of these measures can be seen in the previous development programmes.

40. The expansion of an economy can be described either in money terms or in physical terms. The best method of measuring in money terms is by means of national income studies. A description in physical terms can only be given adequately in units of quantity or volume, a method which suffers from the impossibility of aggregating these totals in any way. In the following paragraphs the growth of the economy will be outlined firstly in terms of geographical income and net product, secondly in terms of population and employment, thirdly in terms of external trade by value, and fourthly in terms of physical production and improvements to communications. Finally, some financial statistics will be given to show the effects of this growth on the monetary and fiscal systems.

Geographical Income and Net Product

41. As has been stated above, the gross increase at current prices has been nearly £100.0 million between 1947 and 1955, representing an increase of over 190 per cent. This increase has not been uniform throughout the economy and certain sectors have increased more rapidly than others.

42. Details of geographical income and net product are given in Tables 1 and 2. From these tables it will be seen that the return to companies and self-employed persons has risen by 220 per cent in eight years, from £14.0 million to £45.0 million. The building and construction group has also enjoyed an above average increase. Rapid urban development has necessitated large housing and school building programmes, as well as water supplies, sewers, drains and roads. Rural development has required water supplies and improved communications. As a result, the share of the building and construction group in the total net product has risen from 3 per cent in 1947 to over 5 per cent in 1955. The actual increase in output has been from £1.5 million in 1947 to £7.9 million in 1955, a fourfold growth in eight years.

43. Another sector calling for special comment is that of the manufacturing industries. In 1947 they represented only 8.5 per cent of the net product of the country. By 1955 this share had grown to 12.7 per cent, and if the present trend continues, the value of this sector may in a few years equal that of non-African agriculture. The total value of their net product has risen from £4.5 million to an estimated £19.4 million.

44. Agriculture represented 39 per cent of the net output of the country in 1955. This figure included a non-African contribution of 15 per cent. Since 1947, the relative percentage of agriculture has moved up or down depending on world prices and the nature of the harvest. The figures in Table 2 show the extent of these fluctuations which range between 47.4 per cent and 38.3 per cent. In view of the relative smallness of certain other sectors at the beginning of the period it is not to be expected that the percentage share of agriculture in the total product could show an increase. It should be noted from Table 1, however, that the total estimated net product of agriculture has risen from £25.1 million in 1947 to £58.4 million in 1955. Included in this table is a significant increase in the value of African marketed produce from £2.5 million to £7.0 million. As yet, however, the value of this product is still dwarfed by that of non-African agriculture which rose from £7.2 million to £23.4 million. The relative increases are by 180 per cent and 225 per cent respectively.

Population and Employment

45. Population and employment statistics have a dual importance to economic development. In the first place, they enable an assessment to be made of the supply of manpower, both skilled and unskilled, and the size of the labour force. In the second place they enable calculations of the total wage bill to be made, and hence facilitate calculations as to the size and nature of the domestic consumer market and its importance to producers and industrialists. Economic development cannot take place without movement and redeployment of the population, and without the existence of expanding consumer markets there would be little reason for expanding the output of agriculture and industry.

46. The population of Kenya is divisible into two parts for the purpose of economic analysis: those who participate in the money and exchange economy, and those who still rely on subsistence agriculture for their livelihood. The latter class is limited to certain African farmers in the reserves, although there are African employees in agriculture whose participation in the money economy is still small.

Table 1—Kenya—Net Product, 1947–55

£ Million

Net Product of	1947	1948	1949	1950	1951	1952	1953	1954	1955* (Preliminary)
1. Agriculture:									
(*a*) Non-African	7·2	7·5	9·5	13·4	21·1	17·8	16·5	18·1	23·4
(*b*) African Marketed Produce	2·5	2·8	3·6	4·2	4·7	4·0	4·5	6·7	7·0
(*c*) African Subsistence	15·4	16·5	17·2	19·0	22·1	23·4	24·2	26·8	28·0
Total	25·1	26·8	30·3	36·6	47·9	45·2	45·2	51·6	58·4
2. Commerce, Finance, Insurance	8·7	10·5	12·9	13·6	16·1	17·8	16·7	19·3	22·6
3. Manufacturing and Repairs	4·5	5·5	6·7	8·9	10·0	11·5	12·7	16·0	19·4
4. Government	4·6	5·5	6·0	6·4	7·7	9·3	12·3	14·2	20·2
5. Transport (including Railways)	4·2	5·0	5·7	6·1	6·9	7·8	7·4	8·4	11·4
6. Building (including P.W.D.)	1·5	2·2	3·0	4·1	5·7	6·5	6·3	6·8	7·9
7. Rentals	1·8	2·0	2·2	2·4	3·0	3·4	3·8	4·3	5·0
8. Mining and Quarrying	0·7	1·2	1·1	1·1	1·4	1·3	1·1	1·4	1·7
9. Other Services	1·9	2·2	3·1	3·5	4·2	4·2	3·9	4·6	5·9
Total Net Product	53·0	60·9	71·0	82·7	102·9	107·0	109·4	126·6	152·5

*Preliminary Estimates only for 1955 as detailed calculations are incomplete.

TABLE 2—KENYA—NET PRODUCT IN PERCENTAGE FORM, 1947–55

NET PRODUCT OF	1947	1948	1949	1950	1951	1952	1953	1954	1955* (Preliminary)
1. Agriculture:									
(*a*) Non-African	13·6	12·3	13·4	16·2	20·5	16·6	15·1	14·3	15·3
(*b*) African Marketed Produce	4·7	4·6	5·1	5·1	4·6	3·7	4·1	5·3	4·6
(*c*) African Subsistence	29·1	27·1	24·2	23·0	21·5	21·9	22·1	21·2	18·4
TOTAL	47·4	44·0	42·7	44·3	46·6	42·2	41·3	40·8	38·3
2. Commerce, Finance, Insurance	16·4	17·3	18·2	16·4	15·6	16·6	15·3	15·3	14·8
3. Manufacturing and Repairs	8·5	9·0	9·4	10·8	9·7	10·8	11·6	12·6	12·7
4. Government	8·7	9·0	8·6	7·7	7·5	8·7	11·2	11·2	13·2
5. Transport (including Railways)	7·9	8·2	8·0	7·4	6·7	7·3	6·8	6·6	7·5
6. Buildings (including P.W.D.)	2·8	3·6	4·2	5·0	5·5	6·0	5·7	5·4	5·2
7. Rentals	3·4	3·3	3·0	2·9	2·9	3·2	3·5	3·4	3·3
8. Mining and Quarrying	1·3	2·0	1·5	1·3	1·4	1·2	1·0	1·1	1·1
9. Other Services	3·6	3·6	4·4	4·2	4·1	4·0	3·6	3·6	3·9
TOTAL NET PRODUCT	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0

*Preliminary Estimates only are available at this stage for 1955 as detailed calculations are incomplete.

47. The non-African population has grown remarkably in the post-war years. The European population has grown by over 110 per cent, from 25,000 in 1946 to over 50,000 in 1955. This increase is mainly due to immigration. Net immigration totalled approximately 35,000 persons, of whom 26,000 were between the ages of 20 and 55 years. The value of immigrants in this age group is particularly great. The cost of their education and upbringing has been borne by another country and they are usually able-bodied and active persons who can contribute immediately to the productivity of the economy, whether in agriculture, industry, commerce or the Civil Service. It is, of course, true that for any immigrant, of whatsoever age, capital still has to be found for housing and hospitals—unless he brings capital into the country with him.

48. The Indian and Goan communities numbered nearly 90,000 persons in 1946 and had increased to 145,000 by 1955, an increase of 61 per cent. Of this growth, it is estimated that one-half is due to net immigration and one-half to the natural growth of the population. The Indian and Goan population has a large proportion of children, and it is calculated that 43 per cent of this community represents children under the age of 15. There is in this community an uneven sex-ratio between adult males and females.

49. It is estimated that the African population is increasing by virtue of natural increase at the rate of 1½ per cent per annum. On this basis, the African population has increased from 5,000,000 in 1946 to nearly 6,000,000 in 1955. This rate of increase is higher than in the past, due to the abatement of famines and tribal wars, and also to improved health services. Of this population, it is estimated that over 40 per cent of the total represents dependent children below working age—a point of major significance when considering the future supply of manpower. It is estimated that there are 1.25 million adult African males of working age.

50. The general picture of population growth can be summarized in the estimates given in Table 3 of the *de facto* civil population between 1946 and 1955.

Table 3—Kenya—De Facto Civil Population Estimates
as at Mid-Year, 1946–55

Year	Non-African			African	Grand Total
	European	Indian and Goan	Total		
1946 ..	24,900	88,400	139,600	5,087,000	5,227,000
1949 ..	33,800	107,200	169,900	5,319,000	5,489,000
1952 ..	40,700	126,200	199,200	5,561,000	5,760,000
1955 ..	52,400	133,100	233,200	5,815,000	6,048,000

Employment and Manpower

51. The total numbers of the Kenya population are not such as to provide a large surplus of manpower waiting to be employed in agriculture and industry. There are certain areas where the population is extremely dense. But density of population is not necessarily itself an indication of over-population and under-employment. High population densities are usually found in areas of high soil fertility and favourable climatic conditions.

52. As has been said above, it is estimated that of the African population, 1.25 million represent adult males of working age. Of this total, some 415,000 are in employment other than on their own peasant holdings. The percentage of adult African males in paid employment is now quite high, and a further expansion of the economy must provide for an improved utilization of manpower.

53. The total employed population, including the 415,000 Africans mentioned above, but excluding employers and self-employed persons, is estimated at over 600,000 in 1955. In 1946 it totalled about 400,000, and there has therefore been a 50 per cent increase in the size of the employed population during the period under review. The number of employers and self-employed persons is very difficult to determine accurately, particularly for the African community. Among the non-African communities it is believed that the total is now in the region of 25,000 persons. For the African community, the total is probably several hundred thousand.

54. There is not likely to be any striking increase in the near future in the total numbers in employment. In view of the increase in the population from natural causes which is now taking place, it seems likely that a higher proportion of the population will come into the working age groups. It is estimated that the gross addition to the adult male labour force may be not more than 60,000 males, from which wastage must be deducted, leaving a net addition of perhaps 150,000 males during the next three years.

55. Within different communities, it is of interest to note one or two special features. In the Asian community some 2,500 schoolboys are now leaving school per annum and it is believed that this number will rise to 3,100 by 1960. Within the European community, a higher proportion of the total population is at work than in the other communities. This is due partly to the high proportion of immigrants of working age, and also to the proportion of the female population at work being much higher than in the other communities. It is of interest to note that a considerable increase in manpower could be obtained if the proportion of females in paid employment among the other communities was as high as among the European community.

56. It is estimated that the division of the employed population as between agriculture, industry and the public services has changed as follows between 1946 and 1955:—

	1946	*1955*	*Increase*
Agriculture	197,900	247,900	50,000
Industry	116,100	191,600	75,500
Public Services ..	89,700	175,600	85,900
Total ..	403,700	615,100	211,400

It should be noted that the increase of 85,900 in the public services reflects the expansion of those departments concerned with security duties during the Emergency, as well as the demand for administering an expanding economy. Between 1952 and 1955 the numbers employed by the Police, Prisons Department, and the Provincial Administration alone increased by over 35,000, primarily as a result of the Emergency. The numbers in the public services have also increased substantially due to the expansion of local government authorities, and particularly of African district councils.

Wage Bill

57. The estimated total annual wage bill in 1955 is given in Table 4. From this table it can be seen that the total wage bill in 1955 is estimated at £67.1 million, of which £40.5 million accrues to the private sector of the economy, and £26.6 million to the public sector. As percentages of the total wage bill, the private sector represents 60 per cent and the public sector 40 per cent of the total. In 1946, the total wage bill was estimated at £15.0 million. The increase in the

TABLE 4 KENYA REPORTED ANNUAL WAGE BILL IN PRIVATE AND PUBLIC EMPLOYMENT, 1955

£'000

PRIVATE EMPLOYMENT	Agriculture and Forestry	Mining and Quarrying	Manufactures and Repairs	Building and Construction	Electric Power, Light and Water Supply	Commerce	Private Transport and Communications	Other Services	Total Private Sector
Europeans (All)	1,500	100	2,900	700	200	3,900	1,100	1,900	12,300
Asians (All) ..	200	100	3,000	1,100	200	4,100	600	700	10,000
Africans (All)	7,900	600	3,000	1,600	100	1,600	1,100	2,300	18,200
TOTAL ..	9,600	800	8,900	3,400	500	9,600	2,800	4,900	40,500

£'000

PUBLIC SERVICES	Kenya Government	E.A. Railways and Harbours (Kenya only)	E.A. Posts and Telegraphs (Kenya only)	E.A. High Commission (Kenya only)	Defence (Civilians only)	Local Government (Kenya)	Total Public Services
Europeans (All) ..	6,900	1,400	400	700	400	600	10,400
Asians (All)	1,900	1,900	400	200	400	300	5,100
Africans (All)	6,200	2,600	400	200	300	1,400	11,100
TOTAL ..	15,000	5,900	1,200	1,100	1,100	2,300	26,600

wage bill since 1946 therefore represents a 347 per cent increase when expressed in money terms. This wage bill presents a large market for goods and services of all types, and the employed population provides more than half the total purchasing power in Kenya at the present time. It is of interest to note that the average wage of the African in employment has been moving upward by between 17 and 20 per cent per annum. After allowing for changes in retail prices, it is likely that the real wage of the African in urban employment is now at least 50 per cent greater than it was 10 years ago.

External Trade

58. As a dependent and developing economy, Kenya relies to a dominant extent on the export of agricultural produce and the import of industrial and consumer goods. A number of items of consumer goods are now being manufactured by local industries but, in relation to total consumption, output is still relatively small. It is still necessary to meet nearly all demands for capital goods from overseas.

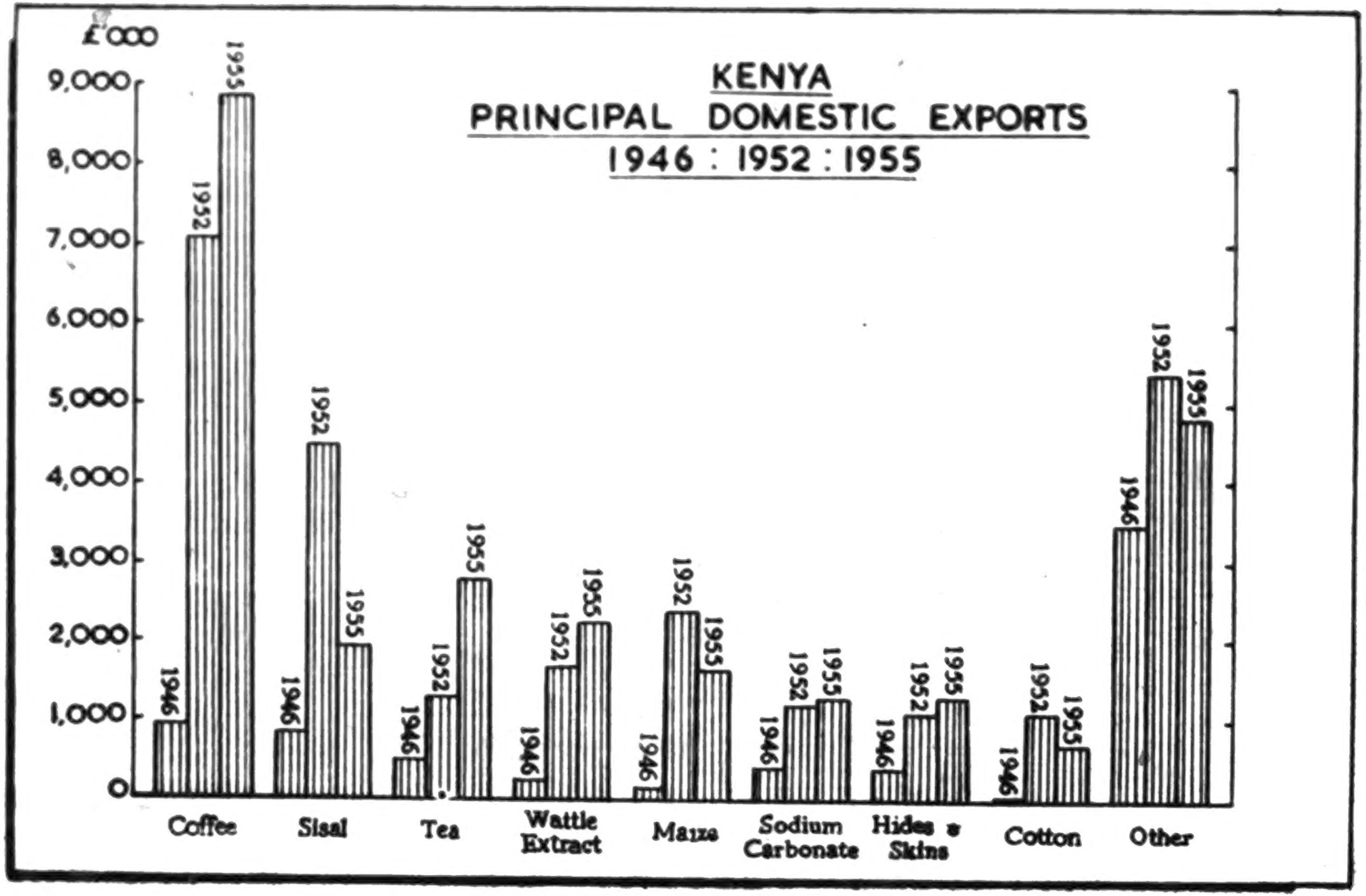
59. Excepting for pyrethrum, Kenya production of any one export commodity is not large enough to have a significant effect on world markets. Total exports, which were valued at £7.1 million in 1946, had risen in value to £25.7 million by 1955, an increase of three-and-a-half times. The rise in value has not been either an even or a steady one, and in 1952 the total value of exports was in fact slightly higher than in 1955, which otherwise was a record year. The total annual value of the principal exports over the period can be seen from the diagram at Table 5. In volume terms the quantity of exports has varied greatly. The total volume of exports in 1955 was 31 per cent higher than in 1950. As between 1946 and 1955 the increase was of the order of 60 per cent. In considering these figures, it should be borne in mind that the climatic conditions in 1955 were extremely favourable for the production of bumper crops.

60. The total of exports includes some 38 main groups of items, of which 14 each add at least 1 per cent or £250,000 to the total value of exports. The export trade can therefore be said to be fairly broadly based. In 1946, four commodities predominated in the export trade—pyrethrum, coffee, sisal and tea, contributing between them 37 per cent of total exports by value. In 1955, four commodities still predominated—coffee, tea, wattle extract and sisal, contributing between them 62 per cent of total exports by value. Table 5 shows the value and relative importance of the main exports in 1946, 1952 and 1955 respectively.

61. The pattern of the import trade reflects not only the nature of development in Kenya itself, but also the policies of interterritorial and other services and businesses, since imports into Kenya include the requirement of the interterritorial administrations and of commercial offices and industries which also serve the other East African territories. The majority of imports comprise items needed for development. Over half by value of total imports on commercial account consists of producers' capital goods and producers' materials. Within this total, over 25 per cent of total imports by value consists of capital goods, such as railway rolling stock, tractors and motor vehicles, machinery, power plants and the other items required for the development of basic services and of local production.

62. Between 1946 and 1955, net imports increased in value from £14.2 million to £71.5 million, a change of 400 per cent. The rise in imports was fairly steady throughout the period, and only in one year, 1950, was there a downward movement in the value of imports.

TABLE 5



KENYA
PRINCIPAL DOMESTIC EXPORTS
1946 : 1952 : 1955

Production

63. Production statistics are primarily of value as quantity indicators of growth, rather than as means of aggregating total output and income. They fall naturally either into the categories of agricultural production or industrial production.

64. In the agricultural field the expansion of output between 1947 and 1955 has been substantial. The production figures for wheat and cattle have already been mentioned above. Among the other main items of agricultural produce, a few can be mentioned. The acreage under sisal increased from 207,000 to 271,000 acres and production from 27,000 tons in 1946 to nearly 38,000 tons in 1955. The coffee acreage increased by about 2,500 acres to a total of 67,000 acres. But in addition to an increased acreage, intensified methods of production were used and total production increased from 9,000 tons to nearly 24,000 tons in the 1955/6 season. The size of this latter crop was due to a favourable growing season as well as to the use of more intensified methods of production. In the dairy industry, butter production rose from 5.7 million lb. in 1946 to 9.9 million lb. in 1955, while whole milk production expanded by about 150 per cent to 13.5 million gallons.

65. It is of interest to note from these figures that agricultural output has not only been expanding but that it has also been acquiring a greater diversity, and moving away from cereal monoculture to forms of mixed farming.

66. The African farmer has participated in this expansion of agricultural output, as the figures of geographical income show. There have been substantial **increases** both in value and in volume, particularly in his production of wattle, maize and hides and skins. The value of all produce marketed by the African farmer rose from £2.5 million in 1947 to £7.0 million in 1955, an increase of 180 per cent. As yet, however, the value of African-grown marketed produce is still less than one-third in value compared to that of his non-African counterpart.

67. The best indicators of production in the industrial and constructional fields are perhaps timber, cement and electricity. Production of these items in the years 1946, 1949, 1952 and 1955 is given in Table 6. From this table it will be seen that production of electricity increased by over 500 per cent, timber production by 70 per cent, and cement consumption by 770 per cent.

TABLE 6—PRODUCTION OF TIMBER, CEMENT AND ELECTRICITY

YEAR	Timber Production* ('000 cu. ft.)	CEMENT (TONS)		Sales of Electricity ('000 kWh)
		Production	Estimated Consumption	
1946	5,412	Nil	21,803	34,472
1949	7,044	18,529	85,729	61,122
1952	8,952	32,474	116,502	112,674
1955	9,204	128,634	192,821	194,593

* Production given in Round Timber True Volume.

68. Another indicator of interest is the square footage of new private buildings completed in the main municipalities of Kenya. This increased from 1,188,000 sq. ft. in 1948 to 3,168,000 sq. ft. in 1955.

Communications

69. Although much still remains to be done, there has been a continuous improvement in communications and transportation services. The available statistics, unfortunately, tend to reflect the increase in the demand for communications rather than the actual improvements made to the roads, aerodromes, railways, telephone and postal services. To this extent, therefore, it is not possible to give an accurate picture of the improvements carried out.

70. In the railway and harbour services, there has been no increase in the mileage of track laid, but there has been considerable expenditure on increasing the carrying capacity of the existing track, the purchase of additional rolling stock, and increasing port capacity at Mombasa. This expenditure is reflected to some extent in the remarkable increase in ton miles carried by the railways during the period. It is, unfortunately, not possible to extract separate figures for the number of ton miles carried separately in Kenya, Uganda and Tanganyika, but a very good indication of the expansion in Kenya is given by the total of exports and imports moving through the port of Mombasa. In 1946, the total tonnage of goods handled at the port of Mombasa was 1,500,000 tons, comprising 804,000 tons of imports and 696,000 tons of exports. In 1955, the figure had risen to 3,144,000 tons, comprising 2,160,000 tons of imports and 984,000 tons of exports. Over the period, therefore, the total value of goods handled has more than doubled. The value of imports has risen by 168 per cent and the value of exports by 41 per cent. In so far as figures of railway ton miles carried are available, they show that for East Africa as a whole the tonnage of goods carried has risen by 119 per cent over the period. Railway and Harbour revenue has risen by 220 per cent over the period.

71. In the field of civil aviation, a useful indicator of expansion is given by the activities of the East African Airways Corporation. The number of passengers carried by the corporation rose from 9,403 in 1946 to 98,698 in 1955, an increase of over nine times in volume. The quantity of freight and mail carried rose from practically nothing in 1946 to nearly 3,000 tons in 1955. The revenue of the corporation has increased by nearly 1,500 per cent. The traffic handled at Kenya airports shows a corresponding increase. For instance, between 1952 and 1955 the average monthly number of aircraft movements increased from 295 to 433 at Nairobi (Eastleigh). There was also an increase in the size and average capacity of aircraft which is reflected in the figure of total passengers handled. At Nairobi (Eastleigh), between 1952 and 1955, the monthly average number increased from 6,300 to 10,200, an increase of 62 per cent, compared with the 46 per cent increase in number of aircraft movements.

72. Among the services operated by the postal administration, in East Africa as a whole the number of telephones in use (including extensions) between 1946 and 1955 increased from 12,000 to nearly 48,000 in 1955, an increase of 300 per cent; and the number of calls made increased from just under 17 million to over 44 million, an increase of nearly 160 per cent. The fact that the average number of calls made per telephone dropped from 1,416 to 916 reflects, to some extent, the improvement offered in facilities. Over the same period, the number of Post Offices in East Africa increased from 345 to 463. In another field it is interesting to note that the number of wireless licences issued in Kenya increased from 7,206 to 21,640, an increase of 200 per cent.

73. The total number of motor vehicles licensed in Kenya increased from 35,400 in 1950 to 56,800 in 1955, an increase of 60 per cent. By comparison, it is of interest to note that between 1946 and 1953 the Development and Reconstruction Authority spent £4,260,344 on road development, an average annual expenditure of £532,543. In the 3½ years of the 1954–57 plan it is estimated that a total of £2,977,000 will be spent on road development, an average annual expenditure of £850,571. Expressed in money terms the average annual development expenditure on roads in 1954–57 is nearly 60 per cent greater than in 1946–53.

Finance

74. Bank deposits in Kenya increased from £23.6 million in 1946 to £57.9 million in 1955, an increase of 140 per cent. Using 1946 as 100, the index of debits to current account had increased by 1956 to nearly 600. This figure reflects the claims in the form of cheques on the amount of current deposits in Kenya. In the savings banks, which are mainly used by African depositors, there has also been a substantial increase in deposits over the period.

75. To keep pace with development, the quantity of currency in circulation in East Africa rose by 150 per cent over the period. The nominal capital value of new companies registered rose from £3.5 million to £13.2 million. In connexion with the rise in the currency circulation, it ought, perhaps, to be stressed that under the Currency Board system which operates in East Africa, a "printing-press" note increase of the currency system is not possible. East Africa has no central reserve bank, and a 100 per cent sterling reserve has to be held by the Currency Board. Any increase in money in circulation can only come from the placing of an equivalent amount of sterling with the East African Currency Board.

76. In the field of public finance, recurrent revenue doubled between 1946 and 1953. Since this date additional taxation imposed during the Emergency, and financial assistance from the United Kingdom Government, have accelerated this trend. Perhaps the most significant feature of the period is the growth in the yield from direct taxes, and the lessening dependence on indirect taxes. This is a very significant indication of the measure of development of the economy.

77. Government expenditure can be divided into three categories—normal recurrent expenditure, development expenditure, and (since 1952) Emergency expenditure. There is no particular significance in the trend of normal recurrent expenditure which is closely related to revenue. In the field of development expenditure, it is of interest to note that expenditure in 1955 was eight times that of 1946 when expressed in money terms. Emergency expenditure, which began at the end of 1952, reached a peak of nearly £16.0 million in the financial year 1954–55. This expenditure caused a substantial drain on financial resources and could only be met with generous financial assistance from the United Kingdom.

78. The public debt, net of all off-setting items, has risen between 1946 and 1955 from £2.2 million to £18.8 million. This increase is mainly due to the floating of development loans, but it also includes one loan of £3.0 million from the United Kingdom Government as financial assistance during the Emergency. As has been mentioned earlier, the percentage of public debt service charges in relation to the cash geographical income is now about 1.6 per cent, a figure which is well within that required by prudent management.

CHAPTER III—FUNDS AVAILABLE FOR DEVELOPMENT

79. There is little prospect during the next few years of any substantial surplus on Colony account becoming available to assist in financing the development programme, in view of the heavy recurrent commitments that have arisen as a result of the Emergency.

80. It is necessary, therefore, to finance the development programme by a combination of loan funds, grants, and fees that will be charged for certain development services. The Government also considers that on the basis of previous experience and for the purpose of flexibility in planning, a gap can be allowed of plans in excess of estimated available funds. Such a gap becomes possible because many works estimates are tentative, because there are inevitable delays in commencing schemes, and because through the medium of the annual Development Estimates and the continuous review of plans, the Government retains the ability to control closely the actual rate of expenditure in the light of the funds available at any particular time.

81. By this combination of loan funds, grants and fee charging, the Government hopes to finance a programme of between £23.0 million and £24.0 million in the course of the three years. This represents an average annual level of expenditure of between £7.0 million and £8.0 million per year. Due to the incidence of certain large works, such as the new Nairobi airport, it seems probable, however, that expenditure in the first year of the period may be somewhat larger than £8.0 million. This will be offset by a correspondingly lower rate of expenditure in the last year of the period. This probable rate of expenditure, of course, assumes that the necessary funds will be available. Should there be any delay in raising the necessary funds it would be necessary to delay this rate of expenditure. It is not anticipated that the size of the works programme will present any problem or that there will be any delays on this account

82. Of the total programme, the Government plans to finance expenditure of £18.0 million by loans raised either in East Africa or in the United Kingdom. It is hoped that expenditure of not less than £2.25 million will be covered by grants from external sources. Of this sum, a little over £2.0 million will represent grants from Colonial Development and Welfare Funds and about £0.25 million will be covered by grants from the International Co-operation Administration. It is hoped to raise £0.76 million from fees for development services; and a little over £1.0 million should be available from transfers from Colony Revenue, either on Emergency account or for other reasons. The balance of the programme, totalling £1.297 million, is covered by the capital gap, to which a reference has already been made. Full details of the funds which it is estimated will be available are summarized in Table 7.

TABLE 7—FORECAST OF AVAILABLE FUNDS, 1957–60

Item		*Amount*
	£	£
1. Loan Programme		18,000,000
2. *Fees for Development Services—*		
(*a*) Land Registration	350,000	
(*b*) Dam Construction	260,000	
(*c*) Soil Conservation	150,000	
		760,000

Item	£	*Amount* £
3. Grants from International Co-operation Administration		250,000
4. *Colonial Development and Welfare Grants*—		
(*a*) Broadcasting Scheme	200,000	
(*b*) Balance of £5.0 million Swynnerton Plan grant	1,240,000	
(*c*) Balance of territorial block grant	548,000	
(*d*) Balance of Dixey Scheme (D.877—Water Conservation)	15,000	2,003,000
5. *Transfers from Colony Revenue*—		
(*a*) Lugard Barracks, Nanyuki	235,000	
(*b*) Public Works Non-recurrent	750,000	
(*c*) Nairobi Airport (Emergency)	33,000	
(*d*) Rehabilitation of Fisheries	1,000	1,019,000
6. Capital Gap		1,297,450
TOTAL		£23,329,450

83. In the above assessment of the capital gap, no allowance has been made for any final shortfall of funds which may result from the completion of the 1954–57 Development Programme, and would of necessity have to be carried forward to the 1957–60 Development Programme. A final assessment of the position arising from the 1954–57 programme obviously cannot be made until after the period of this programme is completed. The Government does not anticipate the necessity of carrying forward any substantial capital gap on this account, but considers it advisable to draw attention to the possibility of a further small increase in the capital gap from this cause.

84. It should, perhaps, be mentioned in connexion with this assessment of funds likely to be available that the programme excludes the requirements of the Nairobi City Council which, at present, has separate access to sources of loan funds. This assessment also excludes the balance of the £2.0 million loan from the Colonial Development Corporation which will be available for African housing. This balance is estimated at £770,000.

CHAPTER IV—THE EXPENDITURE PROGRAMME, 1957-60

Introduction

85. In the course of drawing up this programme for the expenditure of between £23,000,000 and £24,000,000, the Government has scrutinized proposals for the expenditure of over £50,000,000. The projects which have been selected therefore represent a careful sifting of schemes in the light of their relative importance and the Government's assessment of priorities.

86. The proposed expenditure outlined below represents expenditure which it is hoped will take place under the new Development Programme. Three points should be stressed. The first is that the ability of the Government to fulfil this programme will depend on its success in raising the necessary loan funds. To any extent that this is not found possible, it would be necessary to curtail the programme. The second is that the proposed individual allocations of expenditure are not final and inflexible and may be modified by the Government as and if conditions so require in the course of the programme. The third is that the proposed allocations do not represent the only development expenditure which will take place in 1957–60. It is likely that there will be a certain balance of unfinished schemes under the 1954–57 Development Programme still remaining for completion at the end of the financial year 1956–1957. To the extent that it considers necessary and advisable the Government proposes to complete these schemes during the 1957–60 period. It is impossible yet to estimate accurately the balance of schemes that will so remain for completion. The early indications are, however, that it may be found necessary to complete a balance of schemes totalling perhaps £500,000, mainly involving building schemes. It is equally difficult to assess which Ministries are likely to be involved in this carry forward of expenditure. It would seem possible however that there may be substantial carry-overs in respect of defence buildings, school buildings, and the building programme of the Central Stores and Transport organization in particular.

87. To understand the proposals for expenditure it is also necessary to understand the method used by the Government for calculating General Works Staff charges in respect of P.W.D. building programmes, hydraulic works, road works, and miscellaneous civil engineering works. This method was described very fully in paragraphs 99 to 102 of Sessional Paper No. 51 of 1955. Very briefly, the explanation and justification for this system is that development estimates for such works, unless otherwise stated, are normally expressed in terms of net works cost only. To arrive at the full gross cost of any project, the net works cost has to be augmented by an apportionment to it of its share of the standing cost of the Public Works Department, which is reflected in the cost of the General Works Staff. In the 1954–57 programme this augmentation was done on a flat rate basis by adding 23 per cent to all net works cost estimates. In practice this meant that building works were to some extent subsidizing other works, as well as the cost of planning. In the light of experience it is now considered that a figure of 23 per cent is too high for individual works projects, and in the 1957–60 programme, net building works costs are being augmented by 20 per cent to arrive at the gross cost—subject to certain reservations and qualifications which are mentioned later under the programme of the Minister of Works, *vide* paragraphs 314 to 318. In some cases, notably military pool works, the estimates are expressed in terms of gross cost. In such cases it will be necessary for the P.W.D. to deduct agency fees at an agreed rate when the work is in fact carried out.

Outline and Analysis of the Programme

88. For administrative reasons it is necessary to divide the programme of expenditure into Ministerial allocations, and then to divide these allocations into main heads of expenditure. This division, although administratively essential. does not however produce a useful economic analysis of the programme. In the first place the duties of a Ministry may include, for example, both economic and social services, and the Ministerial allocation will not correspond to a single economic classification. In the second place a straightforward Ministerial classification includes expenditure on the General Works Staff under the Ministry of Works—expenditure which in an economic classification is more properly added to that service or head which gives rise to the expenditure.

89. In order to meet both these requirements and objections, the programme of expenditure has been summarized and analysed in four different ways in Tables 8 to 11. Tables 8, 9 and 11 also show the latest available estimates of expenditure under the 1954–57 Development Programme, so that the proposed pattern of expenditure under the two programmes may be compared.

90. In Table 8 the pattern of development expenditure is summarized by Ministries. In the 1954–57 period, expenditure under the 3½-year programme constitutes less than two-thirds of total development expenditure. The reasons for this position can be seen more clearly in the following table, Table 9, where the expenditure is analysed by main heads. Very briefly the principal reasons for this difference are the exclusion of expenditure under the Swynnerton Plan (£3.760 million), the Mombasa Water Supply Major Project (£4.045 million), the Land Bank and Land Development and Rehabilitation Fund (£1.150 million), the African housing loan from the Colonial Development Corporation (£1.230 million), and a portion of the Local Government Loan Authority finance (£1.750 million). In the 1957–60 period all these items are included in the £23.3 million programme, with the exception of the balance of the Colonial Development Corporation loan for African Housing, which is estimated at £0.770 million. It will thus be seen that a total of a little over £24,000,000, or £8,000,000 per year, may be available in 1957–60, as against £35,500,000, or £10.1 million per year, in the 3½-year period 1954–57. In purely monetary terms the level of development expenditure may therefore be four-fifths of that in 1954–57.

91. When the percentages of the total programmes of expenditure allotted to Ministries are compared, it will be noted that there are no radical changes in the Ministerial pattern of expenditure. The principal alterations are in the Ministry of Internal Security and Defence, where the percentage share of total expenditure falls from 8.18 per cent to 5.87 per cent, and in the Ministry of Works, where the percentage rises from 13.94 to 18.03 per cent. This last Ministry, however, includes the General Works Staff, as well as a doubled programme of Public Works Non-Recurrent expenditure, both of which benefit all Ministries.

92. Table 9 sub-divides the outline of expenditure given in Table 8 into main heads of expenditure. This table also shows in the case of the 1957–60 programme how individual schemes are to be financed, whether by loan funds, grants, fees for services or transfers from Colony Revenue. In reading this table it should be borne in mind that the column "Loan Funds" also includes the balance of the territorial allocation of Colonial Development and Welfare Funds for the period 1955–60. This totals some £548,000 and has not yet been earmarked for individual schemes. The column also includes the capital gap of £1,297,450.

TABLE 8.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MINISTRIES

Ministry	1954-57				1957-60	
	Revised Estimated Expenditure Under the Development Programme	Revised Estimated Expenditure Outside the Programme	Total Estimated Development Expenditure		Proposed	Allocation
	£	£	£	%	£	%
1. Chief Secretary	1,159,723	4,159	1,163,882	3·27	875,000	3·75
2. Legal Affairs	37,819	—	37,819	0·11	7,250	·03
3. African Affairs	348,010	3,624	351,634	0·99	150,400	·65
4. Agriculture, etc.	4,833,027	9,319,594	14,152,621	39·82	9,065,000	38·86
5. Security and Defence	2,828,701	80,000	2,908,701	8·18	1,370,000	5·87
6. Local Govt., Health and Housing ..	2,432,742	3,308,922	5,741,664	(a) 16·16	3,750,000	(a) (b)16·08
7. Education, Labour and Lands ..	3,190,395	76,962	3,267,357	9·20	2,000,000	8·57
8. Forests, Game and Fisheries ..	248,600	111,746	360,346	1·01	184,000	·78
9. Commerce and Industry	2,186,699	23,289	2,209,988	6·22	1,450,000	6·22
10. Works	(c) 4,114,640	838,000	4,952,640	(c) 13·94	4,207,900	(c) 18·03
11. Community Development	125,935	15,000	140,935	0·40	126,300	·54
12. Finance and Development	250,164	—	250,164	0·70	143,600	·62
TOTAL	21,756,455	13,781,296	35,537,751	100	23,329,450	100

NOTES—

(a) Excluding Nairobi City Council.

(b) Excluding Colonial Development Corporation loan to Central Housing Board.

(c) Including General Works Staff.

93. Table 9 throws into relief a number of points of special interest. If expenditure on the Mombasa Water Supply Major Project is deducted from the 1954–57 Programme, the total annual expenditure of the Ministry of Agriculture is likely to be greater under the 1957–60 programme than in 1954–57. Expenditure on Police buildings on the other hand in 1957–60 will be one-fifth of the total expenditure in 1954–57. Several new heads of expenditure have been created for 1957–60, and there are new proposals for technical education, probation hostels, approved schools and the Game Department. Expenditure on African housing, electricity development, the Public Works Department and Public Works Non-Recurrent is expected to show an increase.

94. Table 10 is a reconciliation of the proposed expenditure in 1957–60 to show the effect of apportioning the General Works Staff expenditure under the Ministry of Works to the Ministries and schemes on whose behalf the expenditure is incurred. From this table it will be seen that the real gross development expenditure of certain Ministries is substantially greater than a programme based on net works cost estimates might give cause to suppose. This applies particularly in the case of the proposals for water development, internal security and defence, medical services and Education. This table also shows the total size of the Public Works Department Works Programme.

95. Table 11 is an economic classification of the programme of expenditure in 1957–60 calculated from the gross allocations to main heads given in Table 10. For purposes of comparison a similar analysis of the 1954–57 expenditure has also been attempted. In attempting this latter analysis it has been necessary to make some rather arbitrary apportionments of General Works Staff charges between projects. These are noted at the end of the table. It has also been necessary in the case of both programmes to make some arbitrary and very rough classifications of the expenditure and allocations of the Local Government Loans Authority. These are also explained in notes at the end of the table.

96. From Table 11 it will be seen that total expenditure on economic services falls from £21.8 million to £15.09 million, but as a percentage of the total expenditure rises from 61.45 per cent to 64.69 per cent. Within this total the percentage of expenditure devoted to communications rises from 12.81 per cent to 13.57 per cent and agriculture from 25.1 per cent to 36.29 per cent, whereas water development falls from 15.37 per cent to 3.96 per cent, mainly due to the completion of the Mombasa Major Project.

97. Total expenditure on Social Services falls slightly as a relative percentage of total expenditure from 19.71 per cent to 18.60 per cent. Within this total, education expenditure falls from 10.46 per cent to 9.47 per cent, although under individual heads African education rises from 3.46 per cent to 4.03 per cent, Arab education from 0.15 per cent to 0.18 per cent, Technical and Trade education from nil to 0.67 per cent, and adult education from 0.39 per cent to 0.50 per cent. Health expenditure drops slightly from 4.09 per cent to 3.51 per cent.

98. There is a substantial fall in proposed expenditure on internal security services, which is compensated for to some extent by a rise in expenditure on defence services. Police buildings fall from 5.37 per cent to 1.51 per cent and prisons from 1.89 per cent to 1.62 per cent. Military expenditure on the other hand rises from 2.50 per cent to 3.43 per cent.

99. The percentage of total expenditure allocated for General Administrative Services rises slightly from 9 per cent to 10.05 per cent. Within this total there are no major changes. The most significant change is perhaps the fall in proposed expenditure on Government offices from 0.98 per cent to 0.26 per cent.

TABLE 9.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MAIN HEADS OF EXPENDITURE

Ministry and Head	1954-57			1957-60 PROPOSED ALLOCATIONS			
(1)	Revised Estimated Expenditure Under the Development Programme (2)	Revised Estimated Expenditure Outside the Programme (3)	Total (4)	Loan Funds/ Territorial Block Grant (5)	Allocated Grants (6)	Fees for Services/ Transfers from Revenue (7)	Total (8)
	£	£	£	£	£	£	£
Chief Secretary							
(1) Staff Housing	814,900	—	814,900	510,000	—	—	510,000
(2) Government Offices	273,490	—	273,490	50,000	—	—	50,000
(3) Parliament Buildings	53,688	—	53,688	15,000	—	—	15,000
(4) Broadcasting	17,645	4,159	21,804	100,000	(*a*) 200,000	—	300,000
Total	1,159,723	4,159	1,163,882	675,000	200,000	—	875,000
Legal Affairs							
(5) Judicial Buildings	37,819	—	37,819	7,250	—	—	7,250
African Affairs							
(6) Administration Buildings ..	343,035	—	343,035	148,000	—	—	148,000
(7) Sociological Research	2,975	3,624	6,599	2,020	—	—	2,020
(8) E.A. School of Co-operation ..	2,000	—	2,000	380	—	—	380
Total	348,010	3,624	351,634	150,400	—	—	150,400

TABLE 9.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MAIN HEADS OF EXPENDITURE—(*Contd.*)

Ministry and Head	1954-57			1957-60 PROPOSED ALLOCATIONS			
(1)	Revised Estimated Expenditure Under the Development Programme (2)	Revised Estimated Expenditure Outside the Programme (3)	Total (4)	Loan Funds/ Territorial Block Grant (5)	Allocated Grants (6)	Fees for Services/ Transfers from Revenue (7)	Total (8)
	£	£	£	£	£	£	£
Agriculture, Animal Husbandry and Water Resources							
(9) Agricultural Services	1,374,264	1,250	1,375,514	675,000	—	410,000	1,085,000
(10) Veterinary Services	200,284	31,483	231,767	140,000	—	—	140,000
(11) Water Development	1,254,794	4,045,000	5,299,794	729,000	(*b*)	—	729,000
(12) Land Bank and Development Loans	250,000	1,150,000	1,400,000	1,300,000	—	—	1,300,000
(13) Produce Storage	223,275	—	223,275	75,000	—	—	75,000
(14) Swynnerton Plan	1,086,000	3,760,000	4,846,000	3,023,000	(*c*) 1,355,000	—	4,378,000
(15) Accelerated Swynnerton Plan ..	85,060	195,000	280,060	858,000	(*d*) 150,000	350,000	1,358,000
Settlement Boards and Miscellaneous	359,350	136,861	496,211	—	—	—	—
Total	4,833,027	9,319,594	14,152,621	6,800,000	1,505,000	760,000	9,065,000
Security and Defence							
(16) Police	1,584,699	—	1,584,699	300,000	—	—	300,000
(17) Prisons	523,508	—	523,508	323,000	—	—	323,000
(18) Army	713,714	80,000	793,714	512,000	—	235,000	747,000
(19) Navy	6,780	—	6,780	—	—	—	—
Total	2,828,701	80,000	2,908,701	1,135,000	—	235,000	1,370,000

TABLE 9.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MAIN HEADS OF EXPENDITURE—(*Contd.*)

Ministry and Head (1)	1954-57			1[illegible]-60 PROPOSED ALLOCATIONS			
	Revised Estimated Expenditure Under the Development Programme (2)	Revised Estimated Expenditure Outside the Programme (3)	Total (4)	Loan Funds/ Territorial Block Grant (5)	Allocated Grants (6)	Fees for Services/ Transfers from Revenue (7)	Total (8)
Local Government, Health and Housing	£	£	£	£	£	£	£
(20) Local Government Loans Authority..	1,225,000	1,750,000	2,975,000	2,080,000	—	—	2,080,000
(21) African Housing	138,001	1,230,000	1,368,001	(*e*) 880,000	—	—	(*e*) 880,000
(22) Social Service Grants	37,000	—	37,000	50,000	—	—	50,000
(23) Medical Services..	982,741	25,922	1,008,663	612,000	—	—	612,000
(24) Hospital Capital Grants	50,000	303,000	353,000	95,999	—	—	95,999
(25) Sewerage Schemes	—	—	—	32,000	—	—	32,000
(26) Welfare Projects	—	—	—	1	—	—	1
Total	2,432,742	3,308,922	5,741,664	3,750,000	—	—	3,750,000
Education, Labour and Lands							
(27) European Education	650,873	—	650,873	322,900	—	—	322,900
(28) Asian Education	950,344	1,742	952,086	467,400	—	—	467,400
(29) Arab Education ..	45,319	—	45,319	36,331	—	—	36,331
(30) African Education	1,172,260	—	1,172,260	928,375	—	—	928,375
(31) Technical and Trade Education	—	—	—	145,100	—	—	145,100
(32) Education, Special Schemes	324,813	66,400	391,213	37,594	—	—	37,594
(33) Labour Department	3,791	—	3,791	17,300	—	—	17,300
(34) Survey Department	—	8,820	8,820	45,000	—	—	45,000
Purchase of Land	42,995	—	42,995	—	—	—	—
Total	3,190,395	76,962	3,267,357	2,000,000	—	—	2,000,000

TABLE 9.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MAIN HEADS OF EXPENDITURE—(*Contd.*)

Ministry and Head (1)	1954-57			1957-60 PROPOSED ALLOCATIONS			
	Revised Estimated Expenditure Under the Development Programme (2)	Revised Estimated Expenditure Outside the Programme (3)	Total (4)	Loan Funds/ Territorial Block Grant (5)	Allocated Grants (6)	Fees for Services/ Transfers from Revenue (7)	Total (8)
	£	£	£	£	£	£	£
Forests, Game and Fisheries							
(35) Forestry	151,100	111,000	262,100	126,400	—	—	126,400
(36) Game Department	—	—	—	16,000	—	—	16,000
(37) Fisheries	10,000	746	10,746	7,600	—	1,000	8,600
(38) National Parks	87,500	—	87,500	33,000	—	—	33,000
Total	248,600	111,746	360,346	183,000	—	1,000	184,000
Commerce and Industry							
(39) Post Office Renewals Fund ..	257,250	—	257,250	73,500	—	—	73,500
(40) Geological Survey	70,505	23,289	93,794	100,000	—	—	100,000
(41) Industrial Development.. ..	339,250	—	339,250	3	—	—	3
(42) Nyeri Electricity Supply ..	95,600	—	95,600	159,497	—	—	159,497
(43) Malindi Electricity Loan ..	—	—	—	50,000	—	—	50,000
(44) Nairobi Airport	1,369,027	—	1,369,027	770,000	—	33,000	803,000
(45) Embakasi Housing Estate ..	7,000	—	7,000	8,000	—	—	8,000
(46) Mombasa Airport	—	—	—	250,000	—	—	250,000
(47) Malindi Aerodrome	19,620	—	19,620	—	—	—	—
(48) Other Aerodromes	17,000	—	17,000	6,000	—	—	6,000
(49) Miscellaneous	11,447	—	11,447	—	—	—	—
Total	2,186,699	23,289	2,209,988	1,417,000	—	33,000	1,450,000

TABLE 9.—SUMMARY OF DEVELOPMENT PROGRAMMES BY MAIN HEADS OF EXPENDITURE—(*Contd.*)

Ministry and Head (1)	1954-57 Revised Estimated Expenditure Under the Development Programme (2)	Revised Estimated Expenditure Outside the Programme (3)	Total (4)	1957-60 PROPOSED ALLOCATIONS Loan Funds/ Territorial Block Grant (5)	Allocated Grants (6)	Fees for Services/ Transfers from Revenue (7)	Total (8)
	£	£	£	£	£	£	£
Works							
(50) Public Works Department	53,965	—	53,965	375,000	—	—	375,000
(51) Roads	2,437,000	446,000	2,883,000	2,000,000	—	—	2,000,000
(52) Public Works Non-Recurrent ..	—	392,000	392,000	—	—	750,000	750,000
(53) General Works Staff	1,623,675	—	1,623,675	1,082,900	—	—	1,082,900
Total	4,114,640	838,000	4,952,640	3,457,900	—	750,000	4,207,900
Community Development							
(54) Field Projects	49,435	—	49,435	45,675	—	—	45,675
(55) Jeanes Schools	60,800	15,000	75,800	60,000	—	—	60,000
(56) Juvenile Remand Homes ..	15,700	—	15,700	6,800	—	—	6,800
(57) Approved Schools	—	—	—	7,525	—	—	7,525
(58) Probation Hostels	—	—	—	6,300	—	—	6,300
Total	125,935	15,000	140,935	126,300	—	—	126,300
Finance and Development							
(59) Stores and Transport Organization	250,164	—	250,164	143,600	—	—	143,600
(60) Government Press	—	—	—	—	—	—	—
Total	250,164	—	250,164	143,600	—	—	143,600
GRAND TOTAL	21,756,455	13,781,296	35,537,751	19,845,450	1,705,000	1,779,000	23,329,450

NOTES—

(*a*) Special Colonial Development and Welfare Grant.

(*b*) Colonial Development and Welfare Grant (Dixey Scheme) transferred to Swynnerton Plan allocation.

(*c*) £1,240,000 balance of Colonial Development and Welfare Grant for Swynnerton Plan; £100,000 International Co-operation Administration Grants; £15,000 balance of Dixey Scheme.

(*d*) International Co-operation Administration Grants.]

(*e*) Excluding £770,000 balance of Colonial Development Corporation loan.

TABLE 10.—SUMMARY OF 1957-60 DEVELOPMENT PROPOSALS TO SHOW ESTIMATED NET WORKS COST, P.W.D. WORKS PROGRAMME, AND GROSS COST OF PROPOSALS INCLUDING WORKS CHARGES

(1) Ministry and Main Head	(2) Net Allocation	(3) P.W.D. Works Programme (excl. Pool and Agency Works)	(4) Gross Allocation
	£	£	£
Chief Secretary			
(1) Staff Housing	510,000	450,000	600,000
(2) Government Offices	50,000	50,000	60,000
(3) Parliament Buildings	15,000	15,000	18,000
(4) Broadcasting	300,000	(*a*)	300,000
TOTAL	875,000	515,000	978,000
Legal Affairs			
(5) Judicial Buildings	7,250	6,500	8,550
African Affairs			
(6) Administration Buildings	148,000	75,500	163,100
(7) Sociological Research	2,020	—	2,020
(8) E.A. School of Co-operation ..	380	(*a*)	380
TOTAL	150,400	75,500	165,500
Agriculture, Animal Husbandry and Water Resources			
(9) Agricultural Services	1,085,000	13,000	1,087,600
(10) Veterinary Services	140,000	110,000	162,000
(11) Water Development	729,000	729,000	(*i*) 924,800
(12) Land Bank and Development Loans	1,300,000	—	1,300,000
(13) Produce Storage	75,000	—	75,000
(14) Swynnerton Plan	4,378,000	400,000	4,458,000
(15) Accelerated Swynnerton Plan ..	1,358,000	132,000	1,384,400
TOTAL	9,065,000	(*b*)1,384,000	9,391,800
Internal Security and Defence			
(16) Police	300,000	260,000	352,000
(17) Prisons	323,000	270,000	377,000
(18) Army	747,000	(*c*) 261,000	799,200
(19) Navy	—	—	—
TOTAL	1,370,000	791,000	1,528,200

TABLE 10.—SUMMARY OF 1957-60 DEVELOPMENT PROPOSALS TO SHOW ESTIMATED NET WORKS COST, P.W.D. WORKS PROGRAMME, AND GROSS COST OF PROPOSALS INCLUDING WORKS CHARGES—*(Contd.)*

(1) Ministry and Main Head	(2) Net Allocation	(3) P.W.D. Works Programme (excl. Pool and Agency Works)	(4) Gross Allocation
	£	£	£
Local Government, Health and Housing			
(20) Local Govt. Loans Authority ..	2,080,000	—	2,080,000
(21) African Housing	880,000	—	880,000
(22) Social Service Grants	50,000	—	50,000
(23) Medical Services	612,000	550,000	722,000
(24) Hospital Capital Grants	95,999	—	95,999
(25) Sewerage Schemes	32,000	32,000	38,400
(26) Welfare Projects	1	—	1
TOTAL	3,750,000	582,000	3,866,400
Education, Labour and Lands			
(27) European Education	322,900	281,100	379,100
(28) Asian Education	467,400	358,500	539,100
(29) Arab Education	36,331	32,000	42,731
(30) African Education	928,375	53,000	938,975
(31) Technical and Trade Education ..	145,100	50,000	155,100
(32) Education Special Schemes ..	37,594	—	37,594
(33) Labour Department	17,300	15,000	20,300
(34) Survey Department	45,000	45,000	54,000
TOTAL	2,000,000	834,600	2,166,900
Forests, Game and Fisheries			
(35) Forestry	126,400	2,500	126,900
(36) Game Department	16,000	8,500	17,700
(37) Fisheries	8,600	—	8,600
(38) National Parks	33,000	—	33,000
TOTAL	184,000	11,000	186,200
Commerce and Industry			
(39) Post Office Renewals Fund ..	73,500	—	73,500
(40) Geological Survey	100,000	—	100,000
(41) Industrial Development	3	—	3
(42) Nyeri Electricity Supply	159,497	—	159,497
(43) Malindi Electricity Loan	50,000	—	50,000
(44) Nairobi Airport	803,000	(*d*)	803,000
(45) Embakasi Housing Estate ..	8,000	—	8,000
(46) Mombasa Airport	250,000	(*e*) 250,000	(*e*) 275,000
(47) Malindi Aerodrome	—	—	—
(48) Other Aerodromes	6,000	(*e*) 6,000	6,000
(49) Miscellaneous	—	—	—
TOTAL	1,450,000	(*e*) 256,000	1,475,000

TABLE 10.—SUMMARY OF 1957-60 DEVELOPMENT PROPOSALS TO SHOW ESTIMATED NET WORKS COST, P.W.D. WORKS PROGRAMME, AND GROSS COST OF PROPOSALS INCLUDING WORKS CHARGES—(*Contd.*)

(1) Ministry and Main Head	(2) Net Allocation	(3) P.W.D. Works Programme (excl. Pool and Agency Works)	(4) Gross Allocation
	£	£	£
Works			
(50) Public Works Department ..	375,000	370,000	449,000
(51) Roads	2,000,000	—	2,000,000
(52) Public Works Non-Recurrent ..	750,000	(*f*)	750,000
(53) General Works Staff	1,082,900	—	(*j*) 50,000
TOTAL	4,207,900	370,000	3,249,000
Community Development			
(54) Field Projects	45,675	—	45,675
(55) Jeanes Schools	60,000	60,000	72,000
(56) Juvenile Remand Homes	6,800	6,800	8,160
(57) Approved Schools	7,525	7,500	9,025
(58) Probation Hostels	6,300	5,700	7,440
TOTAL	126,300	80,000	142,300
Finance and Development			
(59) Stores and Transport Organization	143,600	140,000	171,600
(60) Government Press	(*g*)	—	—
TOTAL	143,600	140,000	171,600
GRAND TOTAL ..	23,329,450	(*h*)5,045,600	23,329,450

NOTES—

(*a*) Agency fees to be deducted.

		£
(*b*) Building works	..	655,000
Hydraulic works	..	729,000
Total ..	..	1,384,000

(*c*) Excluding contribution to military pool works.
(*d*) Works charges covered under 1954/7 Development allocation.
(*e*) Aerodrome works charge assessed at £25,000.
(*f*) Works Staff Charge covered by Colony estimates.
(*g*) Expenditure of £5,300 for Stationery store to be found from Public Works Non-Recurrent.

		£
(*h*) Building works	..	4,028,600
Hydraulic works	..	729,000
Aerodrome works	..	256,000
Sewerage works	..	32,000
Total ..	..	5,045,600

(*i*) Including £50,000 Hydraulic Works Planning Costs.
(*j*) Building Planning Costs.

TABLE 11.—ECONOMIC CLASSIFICATION OF DEVELOPMENT EXPENDITURE, 1954-57 AND 1957-60

Nature of Expenditure	1954/57		1957/60	
	Revised Estimated Development Expenditure		Proposed Gross Allocation	
(1)	(2)	(3)	(4)	(5)
A.—ECONOMIC SERVICES	£	%	£	%
(1) COMMUNICATIONS				
(*a*) Post Office Renewals Fund	257,250	0·72	73,500	0·31
(*b*) Roads	2,883,000	8·11	2,000,000	8·58
(*c*) Aerodromes:				
(i) Nairobi	1,369,027	3·85	803,000	3·44
(ii) Embakasi Housing	7,000	0·02	8,000	0·03
(iii) Mombasa	—	—	275,000	1·18
(iv) Malindi	19,620	0·06	—	—
(v) Other	17,000	0·05	6,000	0·03
Total (*c*) Aerodromes	1,412,647	3·98	1,092,000	4·68
(*d*) Railways	(East Africa High Commission)			
Total (1) Communications	4,552,897	12·81	3,165,500	13·57
(2) DEVELOPMENT OF NATURAL RESOURCES				
(*a*) Agriculture:				
(i) Agricultural Services	1,443,814	4·06	1,087,600	4·66
(ii) Veterinary Services	231,767	0·65	162,000	0·70
(iii) Land Bank and Dev. Loans	1,400,000	3·94	1,300,000	5·57
(iv) Produce Storage	223,275	0·63	75,000	0·32
(v) Swynnerton Plan	4,846,000	13·63	4,458,000	19·11
(vi) Accelerated Swynnerton Plan	280,060	0·79	1,384,400	5·93
(vii) Settlement Boards and Miscellaneous	496,211	1·40	—	—
Total (*a*) Agriculture	8,921,127	25·10	8,467,000	36·29
(*b*) Water	5,461,594	15·37	924,800	3·96
(*c*) Forests	263,000	0·74	126,900	0·54
(*d*) Fisheries	10,746	0·03	8,600	0·04
(*e*) Preservation of Natural Fauna				
(i) Game Department	—	—	17,700	0·08
(ii) National Parks	87,500	0·25	33,000	0·14
Total (*e*) Natural Fauna	87,500	0·25	50,700	0·22
(*f*) Mineral Development—Geological Survey	93,794	0·26	100,000	0·43
Total (2) Natural Resources	14,837,761	41·75	9,678,000	41·48
(3) INDUSTRIAL DEVELOPMENT	339,250	0·95	3	—
(4) ELECTRIC POWER				
(*a*) Nyeri Undertaking	95,600	0·27	159,497	0·69
(*b*) Malindi Loan	—	—	50,000	0·21
Total (4) Electric Power	95,600	0·27	209,497	0·90

TABLE 11.—ECONOMIC CLASSIFICATION OF DEVELOPMENT EXPENDITURE, 1954-57 AND 1957-60—(*Contd.*)

Nature of Expenditure (1)	1954/57 Revised Estimated Development Expenditure (2)	(3)	1957/60 Proposed Gross Allocation (4)	(5)
	£	%	£	%
(5) MISCELLANEOUS				
(*a*) Economic Services financed by Local Government Loans Authority (Water, Sewerage, Roads, etc.)	2,000,000	5·63	2,000,000	8·58
(*b*) Township Sewerage Schemes ..	—	—	38,400	0·16
(*c*) Commerce and Industry ..	13,247	0·04	—	—
Total (5) Miscellaneous ..	2,013,247	5·67	2,038,400	8·74
TOTAL A—ECONOMIC SERVICES ..	21,838,755	61·45	15,091,400	64·69
B.—SOCIAL SERVICES				
(1) EDUCATIONAL SERVICES				
(*a*) European	798,673	2·25	379,100	1·62
(*b*) Asian	1,102,886	3·11	539,100	2·31
(*c*) Arab	55,019	0·15	42,731	0·18
(*d*) African	1,229,360	3·46	938,975	4·03
(*e*) Technical and Trade	—	—	155,100	0·67
(*f*) Special Schemes	391,213	1·10	37,594	0·16
(*g*) Adult Education (Jeanes Schools and C.D. Projects) ..	139,435	0·39	117,675	0·50
Total (1) Education ..	3,716,586	10·46	2,210,275	9·47
(2) HEALTH				
(*a*) Medical Services	1,100,363	3·09	722,000	3·10
(*b*) Hospital Capital Grants ..	353,000	1·00	95,999	0·41
(*c*) Welfare Projects	—	—	1	—
Total (2) Health	1,453,363	4·09	818,000	3·51
(3) BROADCASTING	21,804	0·06	300,000	1·29
(4) AFRICAN HOUSING	1,368,001	3·85	(*c*)880,000	3·77
(5) MISCELLANEOUS				
(*a*) Social Service Grants	37,000	0·11	50,000	0·21
(*b*) Sociological Research	6,599	0·02	2,020	0·01
(*c*) Social Services financed by Local Govt. Loans Authority ..	400,000	1·12	80,000	0·34
Total (5) Miscellaneous ..	443,599	1·25	132,020	0·56
TOTAL B.—SOCIAL SERVICES ..	7,003,353	19·71	4,340,295	18·60

TABLE 11.—ECONOMIC CLASSIFICATION OF DEVELOPMENT EXPENDITURE, 1954-57 AND 1957-60—(*Contd.*)

Nature of Expenditure (1)	1954/57 Revised Estimated Development Expenditure (2)	 (3)	1957/60 Proposed Gross Allocation (4)	 (5)
	£	%	£	%
C.—SECURITY SERVICES				
(1) INTERNAL SECURITY				
(*a*) Police Buildings	1,910,289	5·37	352,000	1·51
(*b*) Prison Buildings	671,108	1·89	377,000	1·62
(*c*) Juvenile Remand Homes ..	19,500	0·06	8,160	0·03
(*d*) Approved Schools	—	—	9,025	0·04
(*e*) Probation Services	—	—	7,440	0·03
Total (1) Internal Security	2,600,897	7·32	753,625	3·23
(2) DEFENCE				
(*a*) Army	890,114	2·50	799,200	3·43
(*b*) Navy	6,780	0·02	—	—
Total (2) Defence	896,894	2·52	799,200	3·43
TOTAL C.—SECURITY SERVICES ..	3,497,791	9·84	1,552,825	6·66
D.—GENERAL ADMINISTRATIVE SERVICES				
(1) Staff Housing	960,000	2·70	600,000	2·58
(2) Government Offices	347,590	0·98	60,000	0·26
(3) Parliament Buildings ..	53,688	0·15	18,000	0·08
(4) Judicial Buildings	47,519	0·14	8,550	0·04
(5) Provincial Administration Buildings	397,395	1·12	163,100	0·69
(6) E.A. School of Co-operation	2,000	0·01	380	—
(7) Labour Dept. Buildings ..	4,991	0·01	20,300	0·09
(8) Survey Dept. Buildings ..	8,820	0·02	54,000	0·24
(9) Public Works Dept. Buildings	66,890	0·19	449,000	1·92
(10) Public Works Non-Recurrent	392,000	1·10	750,000	3·21
(11) General Works Staff	—	—	50,000	0·21
(12) Central Stores and Transport Organization	298,964	0·84	171,600	0·73
(13) Government Press	—	—	—	—
(14) Purchase of Land	42,995	0·12	—	—
(15) Local Government Loans for Admin. Services	575,000	1·62	—	—
TOTAL D.—GENERAL ADMINISTRATIVE SERVICES	3,197,852	9·00	2,344,930	10·05

NOTES—

(*a*) *Apportionment of General Works Staff Charges* 1954-57:

The revised allocations shown in Table 1 of Sessional Paper 97 of 1955 have been used as the basis of this apportionment. The total estimated expenditure of £1,758,950 on General Works Staff shown in that table has, however, been reduced by £135,275 to bring it into line with the latest revised estimate of General Works Staff expenditure which is £1,623,675. This reduction has been calculated somewhat arbitrarily for the purpose of this exercise on the basis of the following reductions in gross expenditure.

TABLE 11.—ECONOMIC CLASSIFICATION OF DEVELOPMENT EXPENDITURE, 1954-1957 NOTES—(*Contd.*)

		£
Chief Secretary	Staff Housing	10,000
	Government Offices	5,000
Legal Affairs	Judicial Buildings	4,000
Defence	Prisons	50,000
	Army	35,000
Education	European	5,000
	Asian	5,000
	African	5,000
Works	P.W.D.	1,275
Finance and Development	Central Stores and Transport Organization	15,000
	Total	135,275

(*b*) *Local Government Loans Authority*:

For the purpose of this exercise only the expenditure of the Authority has been classified arbitrarily as follows:

	1954-57	1957-60
Economic Services	2,000,000	2,000,000
Social Services	400,000	80,000
General Administrative Services	575,000	—
Total	2,975,000	2,080,000

(*c*) *African Housing*:

The total expenditure of £880,000 shown for 1957/60 excludes the balance of the Colonial Development Corporation Loan of £770,000. Total expenditure may therefore attain £1,650,000.

CHIEF SECRETARY

(1) Staff Housing

100. In paragraph 43 of Sessional Paper No. 17 of 1954 the policy of the Government with regard to staff housing is stated as being to move away from the responsibility for housing its officers, except in so far as it may be necessary to continue to provide housing at institutions, at out-stations where non-Government housing is not available, and for officers recruited from overseas who cannot reasonably be expected to acquire their own houses. To these categories must be added housing for a proportion of Government employees in the lower salary ranges who cannot afford to build and are not in a position to rent; a number of such employees will, of course, have the opportunity of participating in Local Authority housing schemes.

101. For a number of reasons this policy has so far remained an ideal rather than a realized objective, but the present size of the Civil Service is such that the capital cost of housing all Government servants is now prohibitive and for this reason the Government intends to examine as soon as possible how the Lidbury recommendation in Sessional Paper No. 17 can be put into effective operation.

102. Under the 1954–57 Development Programme an allocation of £1,006,000 gross was made for staff housing and it is estimated that actual expenditure will not fall far short of this figure. There was, however, a backlog of approximately £2.75 million at the beginning of the period, and since 1954 there has been an increase of some 10,000 posts, from 44,000 to 54,000, in the number of established posts in the Civil Service. Although, therefore, some 2,608 quarters will have been constructed under the 1954–57 programme, the backlog of housing is larger than in 1954.

103. The examination referred to above will concern the long term general issue. The Government is however also faced with an immediate problem, and being aware that the likely availability of capital cannot possibly reduce the present backlog, has, in drawing up the present programme, carried out a detailed review of the existing problems of staff housing. Particular attention has been paid to—

(*a*) the design and present utilization of housing;

(*b*) the inducements to an officer to build or purchase his own house;

(*c*) proposals for tenant-purchase schemes;

(*d*) proposals for new housing in 1957–60.

The analysis made and conclusions reached as a result of this review are set out in a special appendix to this Paper (Appendix C).

104. The proposed allocation for staff housing in 1957–60 is £510,000 (net) or £600,000 (gross) after allowing for a P.W.D. building programme of £450,000. It is likely that a high proportion of this allocation will be required for housing of African staff, but the Government does not propose at present to specify any breakdown of the allocation.

105. The Government realizes that the size of this allocation is inadequate to house all staff not at present housed. Bearing in mind however the conclusions stated in Appendix C, the Government proposes to use this allocation as far as possible—

(*a*) to provide Government housing for those categories of employee who, by virtue of their station and domicile, the mobility of their employment, or liability to frequency of posting, could not reasonably be expected to build or buy their own house;

(*b*) to encourage officers to build or buy their own houses;

(*c*) to assist tenant-purchase schemes.

106. It should be noted that there are substantial elements of staff housing included in other Ministerial allocations, and that the above figures do not represent the only proposed expenditure on staff housing. It is intended, however, that no expenditure on new staff housing, including institutional housing, shall take place without the authority and agreement of the Chief Secretary.

(2) Government Offices

107. As in the case of staff housing, the Government realizes that the allocation which it has been possible to make for Government offices cannot do more than meet a small proportion of the demand to replace existing inadequate office accommodation and to house new office staffs; and that proposals for the construction of new offices, except for a modest allocation of £50,000 (net) or £60,000 (gross), which has been made in order to meet the most urgent requirements, will have to be deferred.

108. In drawing up this Development Programme the Government has carried out a detailed review of the standards and the utilization of existing and proposed office accommodation, including rented accommodation. The details of the analysis made and conclusions reached are set out in Appendix B to this Paper.

109. During the next three years the Government proposes to meet the problem of office accommodation by—

(*a*) utilizing existing accommodation more fully;

(*b*) continuing to use old and temporary offices;

(*c*) renting office accommodation where suitable accommodation becomes available at reasonable rentals;

(*d*) restricting the construction of new offices to those cases where no other alternative is possible.

110. It will be noticed that certain allocations for the construction of new offices are included under other Ministries. These allocations are all considered to be necessary to meet urgent demands for which no other arrangement is feasible. Actual expenditure on new office construction from these allocations will only take place with the authority of the Chief Secretary.

(3) Parliament Buildings

111. Experience has shown that both the acoustics and ventilation in the Council Chamber are extremely unsatisfactory. Improvement of these conditions is considered essential for the efficient working of the Council, and it is accordingly proposed to allocate £15,000 (net) or £18,000 (gross) for the purpose of soundproofing the Chamber and at the same time providing adequate ventilation.

(4) Broadcasting Services

112. The Government regards the provision of a properly equipped broadcasting system as an essential part of social and educational advance in Kenya. The present system consists of the Cable and Wireless station in Nairobi and the Government's African Broadcasting Service stations at Nairobi, Nyeri, Mombasa and Kisumu. This network does not form a properly integrated system and there are large parts of Kenya receiving poor or intermittent signals.

113. The original recommendations of the Kenya Broadcasting Commission, which were briefly referred to in paragraph 133 of Sessional Paper No. 51 of 1955, envisaged capital expenditure of £440,000 and an annual recurrent expenditure of £210,000. At present-day prices the capital cost of the original recommendations might well be as much as £600,000, a sum which Kenya cannot possibly find in the foreseeable future. An undertaking has however been given by the United Kingdom Government that, if Kenya can find a contribution of £100,000 during the period 1957–60, then a special allocation of £200,000 will be made from those Colonial Development and Welfare Funds which are earmarked for broadcasting development.

114. A modified scheme, the capital cost of which is estimated not to exceed the £300,000 likely to be available, has accordingly been prepared.

115. The scheme would provide the following transmitters:—

	Short Wave	*Medium Wave*
Nairobi		
European (National)	7½ kW.	20 kW.
Asian (National)	6 kW.	20 kW.
African (National)	7½ kW.	20 kW.
Kikuyu/Kamba (Regional)	½ kW.	½ kW.

	Short Wave	*Medium Wave*
Mombasa		
Relay of European National		½ kW.
Relay of Asian National		½ kW.
Relay of African National (in part) together with Regional Programme in Arabic and Swahili	½ kW.	½ kW.
Kisumu		
Relay of African National (in part) together with Regional Programme in Nyanza/Rift Valley vernaculars . .	½ kW.	½ kW.

116. These proposals envisage the closure of the existing Nyeri station and the transmission of the Kikuyu/Kamba broadcasts from the Nairobi Regional Station. Most of the studio equipment at Nyeri is movable and would be transferred to new studios in Nairobi.

117. These recommendations are designed to ensure the following services:—

(*a*) Good medium-wave signals of the three National Services for a radius of 100 miles from Nairobi; further medium-wave relays of the European and Asian National Services at good quality in the immediate vicinity of Mombasa.

(*b*) A National short-wave service using the same type of highly efficient aerial arrays as those recommended by the Kenya Broadcasting Commission to ensure that the three services are adequately received in all parts of the Colony.

(*c*) A Regional vernacular service from Nairobi giving an adequate medium-wave signal for the Nairobi area and a short-wave signal for the Central and Southern Provinces. A relay in part of the National African service at both Mombasa and Kisumu with adequate local programme at both places. These transmissions will be heard on medium wave-lengths in the Mombasa and Kisumu townships and on short wave in the rest of the Coast and Nyanza Provinces.

118. The scheme is estimated to involve a total capital cost at 1956 prices of £275,000, but it is felt that a £25,000 contingencies reserve should be provided, bringing the total provision necessary to £300,000.

119. The Government will shortly be appointing a Chief Broadcasting Engineer, one of whose first duties will be to examine this scheme. The scheme will ultimately be known as the Kenya Broadcasting Scheme. It is proposed to allot the sum of £100,000 (gross) from Kenya funds; it should be noted that this sum will produce a contribution of £200,000 from Colonial Development and Welfare Funds.

MINISTER FOR LEGAL AFFAIRS

(5) Judicial Buildings and Crown Law Office

120. The proposals for construction of judicial buildings fall into two sections, those for the construction of new court-houses or extensions to existing court-houses, and a proposal to build a new Crown Law Office, which would provide accommodation not only for the Attorney-General's offices, but also for the Registrar-General and the various offices under his control.

121. In so far as proposals for court-house construction are concerned, the Government recognizes that ideally, the law should be dispensed in buildings of reasonable dignity. The financial situation is such however that only the barest minimum of essential new accommodation can be undertaken. For this reason the Government has regretfully been forced to exclude from the programme any provision for construction of a new court-house at Nakuru, for which an initial allocation of funds had been made under the 1954–57 programme. A detailed examination of this project has shown that the total cost of erecting a building of the architectural quality which the site and the purpose of the building merits is in the region of £60,000 (gross) at present-day costs. The Government will, however, keep this project in mind and review the position should funds become available in the course of the planning period.

122. It is however considered essential to provide a small extension to the existing court-house at Mombasa as the resident Judge is deprived of his court when the Court of Appeal for Eastern Africa sits in Mombasa for six weeks in the year, and the resident Judge has also to take over the court of the resident magistrate during the four criminal sessions in each year when a visiting Judge from Nairobi takes over the Supreme Court at Mombasa. In addition a small room has had to be used as a temporary court for resident magistrates through lack of more suitable accommodation. An additional floor can be added to one wing of the court-house so as to provide two extra courts at a cost of £6,500 (net), or £7,250 (net) including furniture. It is therefore proposed to make an allocation of £7,250 (net) or £8,550 (gross), allowing for a P.W.D. building programme of £6,500.

123. The need for a new Crown Law Office is becoming increasingly urge[illegible] The present offices were for the most part constructed in temporary materials over 30 years ago, and are not only out-dated, but also provide a very considerable fire and security risk. They contain an extensive and very valuable library, much of which would be irreplaceable if destroyed. In addition to the need for new accommodation for the Attorney-General, the requirements of the Registrar-General have also to be considered. This Department is at present housed on the top floor of the Law Courts, which accommodation is required by the Judicial Department as soon as it can be vacated by the Registrar-General. The efficiency of the Department, which is revenue-earning, is becoming impaired through lack of space, and it is considered essential to provide alternative accommodation to allow for the expansion of its activities and for additional storage space for its extensive and valuable records. It has been estimated that a suitable building, to house the Ministry and its departments, with a basement for record storage, would cost about £72,000 (net). It is not possible to allocate this sum to the project in the 1957–60 programme, but it is considered desirable to provide a token allocation so that planning may proceed with a view to commencing work early in the next planning period, or during the 1957–60 period if funds should become available therefor during this period. A token allocation of £1 is therefore proposed.

MINISTER FOR AFRICAN AFFAIRS

(6) Administration Buildings

124. In the 18-point statement of policy of the Council of Ministers issued in July, 1954, it was laid down that Government intended "to ensure the effective maintenance of law and order throughout the country" and "provide a solid foundation for continued development and reconstruction" by "the intensification of closer administration by the establishment of additional administrative teams in both the African reserves and the settled areas". During the two years since this declaration was made the value of closer administration has been proved.

125. The requirement is essential and continuing. It is both a security measure and a short-term economic project, the importance of which it would be difficult to overrate: for the success of agricultural improvement and other betterment or development schemes within the African areas depends on obtaining the co-operation of the local people affected and this can only be satisfactorily secured by having officers—of whom the district officer must be one—in the closest touch with them. The local authorities now being developed at locational level in many districts also require advice and guidance which can be provided in this way.

126. It is recognized that the wide variations between different parts of the country influence the value and the functions of sub-stations from province to province. In the more densely populated African reserves their importance is both greatest and most obvious: in districts where there are pastoral tribes, some of whom are nomads, the distances are often so vast that it may be desirable for staff to be spread about simply to achieve adequate contact with the population: and in the areas of European settlement it has become apparent that there is a need for Administrative officers to be able to pay more attention to visiting individual farms and farmers. This can best be achieved by administrative decentralization.

127. In short, for the reasons outlined above, closer administration is a vital need and is fully recognized as such by the Government. The methods by which it has been achieved and by which it is proposed in the future to expand it are threefold. Firstly, at the lowest level this is done by the construction of locational centres. These include a chief's office and sometimes a community hall or housing for locational staff. The growing complexity of the tasks which fall to chiefs has meant that the necessity for proper accommodation has also grown. Secondly, at district level, this is done by the decentralization of staff to sub-stations at which Administrative and departmental officers live and from which they work. Thirdly, certain additional buildings which fall within the general ambit of this allocation have been, and will be, required in particular areas. Of these the majority are in Nyanza Province where recent developments have necessitated some expansion of staff and an increase in the tempo of closer administration. The remainder are in the Northern Province where conditions are very different and the need is rather to ensure that the area's remoteness does not lead to its neglect, and that therefore some provision is made for comparatively minor but important works.

128. The financial situation will not permit as full an implementation of this policy as might be desirable. But it should be possible to meet the more essential requirements. The proposals of the Government for sub-station development up to mid-1957 were indicated in paragraphs 138 and 139 of Sessional Paper No. 51, and on page 27 of Sessional Paper No. 97 of 1955. It is hoped to complete the greater part of this programme as planned. In addition to this programme, the Government has since made a further allocation of £54,000 for the acceleration of the development of closer administration in Nyanza in 1956–57, and an allocation of £4,000 for Tribal Police housing in the Northern Frontier. As a result of these adjustments and certain other minor alterations, it is anticipated that a total net expenditure of £341,283 will be made on Administration buildings in 1954–57.

129. In the period 1957–60 it is proposed to allocate for Administration buildings a sum of £148,000 net, or £163,100 gross, to allow for a P.W.D. building programme of £75,500. From this allocation it is proposed to carry out the following programme of expenditure:—

(a) Northern Province

District	*Item*	£
Isiolo	Garba Tulla Sub-station	6,000
All Districts	Miscellaneous Buildings	4,000
	Total—Northern Province ..	£10,000

(b) Nyanza Province

District	*Item*	£
Central Nyanza ..	Maseno Sub-station	2,200
	Bondo Sub-station	2,700
	Ukwalla Sub-station	2,700
South Nyanza	Nyamira Sub-station	2,310
	Ndhiwa Sub-station	6,630
All Districts	Locational Centres	10,500
	Lock-ups	3,000
	Government Camps	1,800
	Tribal Police and Chiefs Housing ..	10,000
	Other Administration Housing ..	3,000
	Total—Nyanza Province ..	£44,840

(c) Rift Valley Province

District	*Item*	£
West Suk	Sigor Sub-station	3,949
Elgeyo	Kipkwen/Chepkerio Sub-station ..	5,000
Baringo	Marigat Sub-station	2,300
Maralal	Wamba	1 (token)
Nakuru	Molo Sub-station	1,000
All Districts	Locational Centres	8,000
	Total—Rift Valley Province ..	£20,250

(d) Southern Province

District	*Item*	£
Kitui	Mwingi Sub-station	2,000
	Mutomo Sub-station..	1 (token)
Machakos	Kagundo Sub-station	1,299
Narok	Nairage Ngare Sub-station	1,000
Kajiado	Loitokitok Sub-station	1,500
All Districts	Locational Centres	7,000
	Total—Southern Province ..	12,800

(e) Coast Province

District	*Item*	£
Kwale	Kinango Sub-station	1 (token)
All Districts	Locational Centres	15,499
	Total—Coast Province.. ..	£15,500

(f) Central Province

District	*Item*	£
Kiambu	Kikuyu Sub-station	800
	Gatundu Sub-station	800
Nyeri	Karatina Sub-station	4,090
	South Tetu Sub-station	3,090
	Othaya Sub-station	3,090
Meru	Chuka Sub-station	2,600
	Nkubu Sub-station	600
	Maua Sub-station	600
Nanyuki	Mweiga Sub-station	5,076
Thika	Ruiru/Njiru	6,550
Embu	Kerugoya Sub-station	3,000
	Kianyagga Sub-station	3,000
	Runyenjes Sub-station	3,000
Fort Hall	Kangema Sub-station	100
	Kandara Sub-station	100
	Kigumo Sub-station	100
All Districts	Locational Centres	8,014
	Total—Central Province	£44,610

130. In addition to the above programme there is also a possibility that if irrigation experiments now being carried out lead to large-scale settlements, it may be necessary to establish additional sub-stations at Mwea in Embu District and Hola in the Tana River District.

(7) Sociological Research

131. In view of the rapid growth of urban populations, and particularly of the African urban population, the Government considers it desirable to undertake research and study into the way of life and the needs of this population in order to provide a background of knowledge which will enable planning and policy to be based on ascertained facts rather than guesswork. The Government considers that such studies will facilitate the creation of a stable and settled African urban population and thus counter and reduce the possibility of labour unrest.

132. One such survey was begun at Mombasa in 1956 by the Government Sociologist. The total scheme is estimated to cost £8,020 and financial contributions have been received from employers, trade unions, the local authority, and other interested organizations. A Government contribution of £2,975 was made in 1956–57 and it will be necessary to find a further contribution of £2,020 in 1957–58 in order to complete the scheme. Provision has been made accordingly.

133. No allocations have been made for further surveys, but if the Mombasa survey is successful and proves to be valuable, and when the financial situation permits and local support is also forthcoming, the Government proposes to consider undertaking similar surveys in other urban centres.

(8) East African School of Co-operation

134. A contribution of £2,000 was made under the 1954–57 programme towards the cost of housing the school, which is located at the Jeanes School, Kabete, in permanent buildings. Paragraph 282 of Sessional Paper No. 51 refers. It is now proposed to provide a further contribution of £380 (gross) towards the cost of furnishing and equipping these buildings, and providing an additional house for an African instructor, on the understanding that similar contributions are also made by the Uganda and Tanganyika Governments.

TABLE 12—PROPOSED ALLOCATION—AFRICAN AFFAIRS

Head	*Net*	*P.W.D. Building Programme*	*Gross*
	£	£	£
(6) Administration Buildings	148,000	75,500	163,100
(7) Sociological Research	2,020	—	2,020
(8) E.A. School of Co-operation	380	—	380
Total: ..	£150,400	75,500	165,500

MINISTER FOR AGRICULTURE, ANIMAL HUSBANDRY AND WATER RESOURCES

Introduction

135. The need to place the main emphasis on agricultural development has already been stressed in the first chapter of this programme, together with the economic reasons for this policy. The basic problems of agricultural development in Kenya were outlined in paragraphs 144 to 149 of Sessional Paper No. 51 of 1955 when the 1954–57 Development Programme was presented by the Government.

136. Since 1954 the improvement in Emergency conditions has presented fresh opportunities for agricultural development and a certain change of emphasis, coupled with an acceleration of agricultural effort, is now required.

137. In the non-African farming areas the improvement in Emergency conditions has enabled thoughts and activities again to be directed towards economic development. The Agriculture Ordinance, 1955, has provided the framework within which this development can take place, and within which the recommendations of the Troup Report* can be implemented. In these areas the share of Government in development is reflected primarily in three directions—the provision of the necessary basic agricultural and veterinary services, including research services; assistance in the provision of development capital, through land development loans under the Agriculture Ordinance, and finance through the Land and Agricultural Bank; and assistance in the development of rural water supplies.

138. It is however in the African farming areas that the most radical changes are now taking place, both as a result of the Emergency, and as a result of the Swynnerton Plan.

139. As a result of the Emergency an opportunity has occurred to take advantage of a wave of African feeling in favour of land consolidation and farm planning, so that African agriculture can be directed towards intensive cash crop farming. Consolidation of holdings and security of title is the basis of this movement, but its ultimate and continued success depends on farm planning. Side by side with this work goes resettlement in new areas, especially on irrigated lands. The successful resolution of many of these problems and the continuance of peaceful and stable conditions depend on the success with which this programme of agricultural development is tackled. The present opportunity is one which, if lost, may never occur again.

---

* *Inquiry into the General Economy of Farming in the Highlands, etc.:* Commissioner L. G. Troup. (Government Printer, Nairobi, 1953.)

140. The Swynnerton Plan for the intensified development of African agriculture has now been in operation for three years. As a result of this plan, great potentialities are rapidly being opened up. Cash crop production is expanding, and the African contribution to production for export is growing rapidly. As a corollary of this, the local market for consumer goods is also expanding, and developing opportunities are being presented for local secondary industries and commercial development. An example of the opportunities now being afforded for the sale of consumer goods is reflected in the figure of local beer production which has more than doubled since 1951.

141. The extent of the achievement to date and the possibilities of African cash crop production are reflected in Table 13 which shows the acreages, actual and planned, of each cash crop in African farming areas between 1953, before the Swynnerton Plan commenced, and 1958 when the original five-year period of the plan will be completed. Between 1953 and 1955 total acreage under cash crops increased by one-third, and an increase of a further third is planned by 1958. The value of the product increased by 73 per cent between 1953 and 1955, and it is hoped that an increase of nearly fourfold will have taken place by 1960. These estimates are based on a continuance of the normal Swynnerton Plan programme of development, and do not take account of the further possibilities of accelerated development at present offering themselves. In view of the importance of the intensified development of African agriculture to the whole development programme, a review of the achievements and further potentialities under the Swynnerton Plan is given at Appendix A to this Paper.

Summary of Development Proposals

142. To implement this policy the agricultural development programme has been divided into three sections:—

(*a*) Ordinary Development,

(*b*) Ordinary Swynnerton Plan Development,

(*c*) Accelerated Swynnerton Plan Development.

143. Included under the ordinary development programme of the Ministry are the programmes for the continuation of the ordinary basic agricultural and veterinary development services. These include research services, training schools, soil conservation services, dam construction units, farm planning services, stock-breeding centres, and a number of other proposals for the development of animal husbandry. Also included in the ordinary development programme are provision for land development loans, including those made by the Land and Agricultural Bank; and provision for the continuation of the programme of water development. This programme includes the development of both urban and rural water supplies, other than of those supplies which are the responsibility of local authorities.

144. The programme shown as the "ordinary" Swynnerton Plan is that which results directly from the implementation of the Swynnerton Report* and provides for the continuation of services which have already been started under the plan, as well as the implementation of others which have been included under the plan but not yet started. Included in the programme are plans for the development of land of high potential as well as the semi-arid pastoral areas. In the lands of high potential, expenditure is proposed on investigations, agricultural education, cash crop development, irrigation and improvement of water supplies,

---

* *A Plan to Intensify the Development of African Agriculture in Kenya*, compiled by R. J. M. Swynnerton. (Government Printer, Nairobi, 1954.)

TABLE 13.—AFRICAN AGRICULTURE—INCREASED ACREAGES AND FARM RECEIPTS UNDER THE CASH CROPS PROGRAMME

Crop	ACREAGES			INDICES (1953=100)		APPROXIMATE VALUE AT CURRENT PRICES		
	1953 (Actual)	1955 (Actual)	1958 (Programme)	1955 (Actual)	1958 (Programme)	1953	1955	1960-62 (Potential)
						£	£	£
Coffee	3,702	8,515	29,320	230	792	555,300	1,277,250	4,398,000
Pineapples	3,051	3,110	8,780	101	288	152,550	155,500	439,000
Pyrethrum	227	1,829	3,800	806	1,674	11,350	91,450	190,000
Tea	37	206	1,450	557	3,919	2,800	15,650	110,200
Sugar	70	425	2,000	607	2,857	2,100	12,750	60,000
Wheat	800	1,500	3,000	187	375	8,000	15,000	30,000
Beans	10	50	1,050	500	10,500	100	500	10,500
Tobacco	0	0	1,000	—	—	0	0	35,000
Rice	5,100	8,500	15,000	166	294	178,500	297,500	525,000
Potatoes	1,000	3,000	3,000	300	300	80,000	300,000	300,000
SUB-TOTALS	13,997	27,135	68,400	193	485	990,700	2,165,600	6,097,700
INDICES OF VALUE						100	218	615
Cotton	110,000	141,000	141,000	128	128	550,000	705,000	705,000
Coconuts	43,900	51,600	65,000	118	148	219,500	258,000	325,000
Cashew nuts	7,900	10,000	14,000	127	177	158,000	200,000	280,000
TOTALS	175,797	229,735	289,400	131	164	1,918,200	3,328,600	7,407,700
INDICES OF VALUE						100	173	385

as well as on the development of methods of co-operative marketing, livestock improvement and protective forestry. In the semi-arid pastoral areas, expenditure is proposed on tsetse reclamation and bush clearance, ranching schemes, settlement schemes, de-stocking, livestock improvement, and water development and conservation.

145. Under the acceleration programme, the most important items are the proposals for land consolidation, farm surveys and farm planning. The programme also includes substantial expenditure on the development of irrigation schemes which may assist in solving the problems of post-Emergency re-settlement. Proposals for accelerated agricultural development in Nyanza Province have also been added to this programme. It has recently become clear that if intractable agronomic problems are not to arise in certain areas of this province, of a nature similar to those experienced in Central Province, there must be an acceleration of the measures now being taken to solve them. Additional provision which is specially earmarked for Nyanza Province has therefore been included to cover the acceleration there of programmes for cash crop development, land consolidation, farm planning, water development and similar measures.

Proposed Allocations

146. To meet all the requirements of this Ministry the Government proposes to allocate the sum of £6,800,000 (net) or £7,126,800 (gross) from Kenya Development Funds. The gross allocation allows for a P.W.D. building works programme of £729,000, as well as including the sum of £50,000 for Hydrological Research, investigation and the planning of hydraulic projects. This will be supplemented by grants from Colonial Development and Welfare Funds and from the International Co-operation Administration. Certain of the services provided under the Agricultural Development Programme are covered by revenue, and to the extent that revenue covers the cost of these services, their cost will be excluded from these allocations. The allocation which the Government is able to make from Kenya Development Funds is by no means sufficient to meet all the essential requirements of agricultural development, and every possible avenue is being explored to raise additional funds to enable all the urgent and serious problems of agricultural development and irrigation to be tackled.

147. Excluding the possibility of further funds which the Government may be able to obtain for agricultural development, the proposed total allocation for agriculture, animal husbandry and water development comprises:—

	£ *Net*
1 Kenya Development (Loan) Funds	6,800,000
2. Colonial Development and Welfare Funds:—	
(*a*) Balance of £5,000,000 grant for African agriculture	1,240,000
(*b*) Balance of Dixey Scheme grant for water development	15,000
3. International Co-operation Administration Grants ..	250,000
Total Grants ..	£1,505,000

4. Revenue from Development Services:—	£ *Net*
(*a*) Soil Conservation	150,000
(*b*) Dam Construction	260,000
(*c*) Land Registration Fees	350,000
Total Revenue ..	£760,000
Grand Total ..	£9,065,000

148. As has been stated above, the allocation of £6,800,000 of Kenya Development Funds carries a General Works Staff provision for a further sum of £326,800. If this sum is added to the total of £9,065,000 shown above the total gross allocation to this Ministry becomes £9,391,800.

Proposed Division of Allocations

149. The Government proposed to divide the allocation of £9,065,000 to this Ministry as in Table 14.

TABLE 14—ALLOCATIONS—AGRICULTURE, ETC.

Part I—Ordinary Development Programme—	£
1. Agricultural Services	1,085,000
2. Veterinary Services	140,000
3. Water Development	729,000
4. Land Bank and Land Development Loans	1,300,000
5. Produce Storage	75,000
Total ..	£3,329,000
Part II—Ordinary Swynnerton Plan Development—	£
6. Intensified Development of African Agriculture ..	4,378,000
Part III—Accelerated Swynnerton Plan Development—	
7. Surveys for Planned Farming and Land Consolidation .	550,000
8. Land Consolidation, Central Province	400,000
9. Irrigation and Swamp Reclamation	208,000
10. Accelerated Development in Nyanza Province	200,000
Total ..	£1,358,000
Grand Total ..	£9,065,000

150. In connexion with the allocation made under Part III for Accelerated Development, it should be made clear that the size of this allocation is substantially less than the Government would wish to make had it the funds available. The size of this allocation has meant in fact that proposals have had to be reduced by over 50 per cent when preparing the programme. If the Government is unsuccessful in raising further funds for African agricultural development a complete review of all aspects of policy may be required.

151. The proposed apportionment of allocations to individual schemes is shown in the paragraphs which follow. Arising out of this apportionment, the Government would wish to maintain a certain flexibility of planning within the overall allocation to individual services, and it may be necessary to adjust relatively the size of allocations to individual schemes at the time of submitting estimates to the Legislative Council.

(9) Agricultural Services

152. The Government proposes to divide the allocation of £1,085,000 (net) to Agricultural Services between individual schemes as in Table 15.

TABLE 15—ALLOCATIONS—AGRICULTURAL SERVICES

	£ *(net)*	*P.W.D. Building Element*
1. Soil Conservation Services	434,275	5,000
2. Dam Construction Units	261,000	—
3. Farm Planning and Development	178,325	—
4. General Agricultural Research and Investigation Services	134,000	—
5. Coffee Berry Disease Research	10,000	—
6. Coffee Research Station, Ruiru	16,000	8,000
7. Pasture Research (Phase 2)	17,000	—
8. Testing of Agricultural Machinery (C.D. & W. Scheme)	21,200	—
9. Market research studies	8,200	—
10. Fencing of boundaries	5,000	—
Total	£1,085,000	£13,000

153. The allocation of £434,275 is designed to provide for the continuation of the work of the Soil Conservation Services in the non-African areas. This scheme was started with a Colonial Development and Welfare grant in 1947 and is carrying out conservation work at the rate of some 27,000 acres per year. A total of 211,827 acres had been protected up to the end of 1955. Of the total expenditure, £150,000 will be covered by fees.

154. The allocation of £261,000 for Dam Construction Units which will be covered by fees charged for the services of the units will provide for the continued operation of the Dam Construction Units which work in all farming areas. Between 1947 and 1955 these units have constructed some 288 dams, impounding a total of 3,500,000,000 gallons of water.

155. The allocation of £178,325 for farm planning and development is designed to meet both the recurrent and non-recurrent expenditure of the farm planning and development section of the agricultural field services. This section was established under the 1954–57 Development Programme to implement the recommendations of the Troup Report*. The service provides detailed contour surveys of each farm to enable the layout of fields, roads, water supplies, fencing and drainage to be determined. The surveys are then followed by an economic programme for land use, and by soil conservation and drainage works. The allocation includes provision for the purchase of drainage equipment for experimental work.

156. The allocation for general agricultural research provides for the recurrent and non-recurrent expenditure required to continue existing services. It is proposed to divide the allocation of £134,000 as between:—

	£
Mixed Farming Research	60,000
Horticultural Research	14,000
Plant Breeding	60,000
Total ..	£134,000

---

* *Op. Cit.*

157. The allocation of £10,000 for coffee berry disease research is intended to provide for the continuation of the scheme for one more year until 1958, when it should be possible to wind up the scheme.

158. The allocation of £16,000 for the Coffee Research Station, Ruiru, is to provide for Government's liability to contribute towards the cost of this station, which is financed jointly by the Government and the Coffee Board. Under the present arrangement, the Government finances all activities arising from proposals put forward by the Government.

159. The allocation of £17,000 for Pasture Research (Phase II) is required to provide for the recurrent cost of maintaining the existing establishment in the field. This scheme was started with Colonial Development and Welfare assistance in 1957, and is an essential concomitant of the programme to encourage alternate husbandry and reduce monocropping. Research stations have been established at Kitale, Marindas and Naro Moru. Phase III of the programme, which concerns the African farming areas, is now being implemented under the Swynnerton Plan with International Co-operation Administration assistance.

160. The scheme for testing of agricultural machinery has the object of testing new agricultural tractors and farming implements in East Africa. For this purpose a team of experts from the National Institute of Agricultural Engineering is now working in East Africa. The cost of the scheme is being fully met from Colonial Development and Welfare funds.

161. The allocation of £8,200 for market research studies is intended to cover the cost of the salaries and other charges of two officers who will be engaged on a study of new markets and their development. This is a new scheme to which the Government attaches considerable importance. This scheme will assist in the disposal of agricultural surpluses.

162. The allocation of £5,000 for the fencing of boundaries represents a new scheme to cover the cost of fencing boundaries between African areas and European farms in order to avoid disputes arising from unfenced boundaries. If the Fencing Ordinance is implemented in any area, the farmer will pay half the cost of the fence.

(10) Veterinary Services

163. The Government proposes to divide the allocation of £140,000 for Veterinary Services as shown in Table 16:—

TABLE 16—ALLOCATIONS—VETERINARY SERVICES

	£ net	*P.W.D. Building Element* £
(1) Naivasha Stock Farm Research Station ..	12,000	3,000
(2) Livestock Improvement	28,000	—
(3) Stock Routes and Holding Grounds ..	31,000	—
(4) Tsetse Reclamation	7,000	—
(5) Biological Research	10,000	5,000
(6) Offices and Staff Housing	30,000	30,000
(7) Domestic Animals Quarantine, Mombasa	2,000	2,000
(8) Purchase of Beef Stud	5,000	—
(9) Foot-and-Mouth Vaccine, Production and Research Institute	10,000	70,000*
(10) Development of Animal Products	5,000	—
Total ..	£140,000	£110,000

---

* Including private contribution.

164. The allocation of £12,000 for the Naivasha Stock Farm is intended to provide for essential capital improvements required, both in respect of buildings and equipment. The work of this farm is generally concerned with stock problems, particularly problems of feeding and animal husbandry.

165. The allocation of £28,000 for livestock improvement is primarily required to finance the further import of Sahiwal cattle from Pakistan and India. The potentialities of this breed to improve native cattle have already been demonstrated, and the supply of improved cattle for African family holdings is a key factor in the Swynnerton Plan.

166. The allocation of £31,000 for stock routes and holding grounds is required to continue the development of both these items. This is an essential step if the movement of stock to markets from overcrowded African land units is to be encouraged without contaminating the farming areas which lie on the route and which often contain valuable cattle. The size of the proposed allocation will not enable all necessary work to be done, but work will be carried out from among the following projects: —

(*a*) Extension of the Komo Rock route to the Kiambu Reserve.

(*b*) Baringo–Kilombe–Visoi.

(*c*) Machakos–Lukenia–Athi River.

(*d*) Mukugodo–Nanyuki.

(*e*) Tala–Thika.

(*f*) Athi River Holding Ground.

(*g*) Yattas–Thika.

(*h*) Holding grounds at Garissa and Habbaswein.

(*i*) Cattle crushes at Marsabit.

167. The allocation of £7,000 for tsetse reclamation work is intended for the continuation of schemes in the European farming areas. A scheme is in hand at Ithanga, and further schemes are under consideration at Emali, West Lakipia, Ngare Ndare, Timau.

168. The allocation of £10,000 for biological research facilities is intended to provide funds for the necessary schemes and equipment to enable a number of essential biological research schemes to be carried out. These include —

(*a*) An isolation unit for carrying out tick studies.
(*b*) A spectro-photometer for estimating trace elements.
(*c*) Calf pens for research on calf diseases.
(*d*) An insectory for breeding mosquitoes and biting flies.
(*e*) An isolation unit for virus disease research.
(*f*) Laboratory apparatus (polorograph, microscopes, etc.).

The allocation includes a recurrent element for minor employees working in the isolation units and the insectory.

169. The allocation of £30,000 for veterinary offices and staff housing is made for the purpose of meeting the most urgent requirements under this head. No expenditure will take place from this allocation without the agreement of the Chief Secretary to the building proposed.

170. The provision of £2,000 for a domestic animals quarantine at Mombasa will enable a plot to be purchased and semi-permanent buildings erected to provide facilities for holding domestic animals, including livestock, which may have to be detained in quarantine. There are at present no facilities for this.

Some revenue will be collected by way of fees, but the sum will not be large. The sum of £5,000 allotted for the purchase of a beef stud is for the purchase of bulls and for the cost of building accommodation for them and for their attendants at the Central Artificial Insemination Station. These bulls will enable farmers to produce quality grade beef stock out of indifferent grade and native cattle. It is hoped that revenue from the sale of semen will meet the cost of subsequent recurrent expenditure.

171. The establishment of a foot-and-mouth vaccine production and research institute is recommended in the Byng-Hall/Macaulay Report, which has been adopted by the Government. Provision is made for a Government contribution towards the capital cost of this institute. The provision for the development of animal products is for the development of small industries such as honey, wax, bonemeal, etc.

(11) Water Development

172. The Government proposes to apportion the allocation of £729,000 for water development between the schemes shown in Table 17:—

TABLE 17—ALLOCATIONS—WATER DEVELOPMENT

	£
(1) Township Water Supplies	330,000
(2) Rural Water Supplies—	
(*a*) African Areas	21,000
(*b*) Non-African Areas	250,000
(3) Hydrologic Survey	30,000
(4) Mombasa Water Supply	48,000
(5) Investigations, Tools and Plant	20,000
(6) Sub-station Water Supplies	30,000
Total	£729,000

173. Net expenditure on water development at works cost over the past seven and a half years has been between £300,000 and £400,000 per year. In allotting the sum of £729,000 for the three years of the new programme, the Government is making a substantially smaller allocation than has been made during the previous period. It is considered however that this allocation will enable the more essential developments to be undertaken in both urban and rural areas even though expenditure of as much as £400,000 per annum could usefully be undertaken if funds were available.

174. Most of these allocations are self-explanatory. It is not proposed at this stage to detail proposed expenditure on individual township, rural and sub-station water supplies as this would limit flexibility in planning. Individual scheme values will however be shown in the annual development estimates.

175. In the case of rural water supplies the allocation for African areas is intended for borehole and dam subsidies and works remaining unfinished from the previous programme. The main provision for African areas and the Northern Province has however now been included elsewhere under the programme for intensified African agricultural development. The allocation for non-African areas is intended to cover boreholes, dam subsidies, the Kinangop Ring Main, the Enarosura Piping Scheme and certain smaller schemes remaining for completion.

176. The allocation for the Mombasa water supply is required for extensions to the reticulation system. These are essential to meet the continued expansion of Mombasa.

(12) Land Bank and Development Loans

177. The proposed allocation of £1,300,000 under this head is required to provide additional capital for the Land and Agricultural Bank, and also to provide finance for the making of Land Development loans under the terms of the Agriculture Ordinance, 1955. The division of the proposed allocation of capital as between these two items has not yet been decided, but the respective schemes values will be given when the annual estimates are presented.

178. Land Development loans constitute an important element in the furtherance of agricultural policy and produce a quick economic return. Of the loans so far authorized under the terms of the Agriculture Ordinance, 15.4 per cent have been long-term loans of 15 to 30 years for water supplies, fencing and buildings; 82.1 per cent have been short-term loans of four to 15 years for livestock, machinery, farm planning and conservation, stumping and clearing, horticultural crops and cattle dips; and 2.5 per cent have been very short-term loans of up to four years for the purchase of immature stock for fattening and slaughter. Of these loans it is estimated that 70 per cent will result in an immediate increase in the production of butterfat, beef, mutton and bacon. Land Development loans may be said therefore to provide working capital for the farmer. Land Bank loans on the other hand, in the first place provide an essential part of the basic capital of farming. Over the last few years 60 per cent of such loans have been granted either for the purchase of land or to repay mortgages. The remaining 40 per cent has been utilized to provide permanent improvements to farm properties and to provide working capital.

(13) Produce Storage

179. An allocation of £75,000 is required to cover existing commitments to complete schemes already started. This includes a loan to Maize Control to cover the Control's overdraft incurred on constructing new buildings.

(14) Intensified Development of African Agriculture (Swynnerton Plan)

180. This is an integrated scheme and the allocation of £4,378,000 provides for the continuance of this scheme up to 1960. Of the total expenditure proposed, it is estimated that £1,240,000 will be covered by the balance of the original £5 million Colonial Development and Welfare grant.

181. The general rise in salaries and the cost of goods and services since the plan was prepared have inevitably put up its cost. The cost of buildings for example has increased by 25 per cent. Recruitment of African staff has also been faster than originally planned, and the rapid progress with consolidation of African land holdings in Central Province, and particularly the Kikuyu areas, requires acceleration of those services which follow consolidation. It now appears that the programme may be completed in three years against the original estimate of 15 to 20 years.

182. As the plan has progressed, certain additional schemes have also necessitated an expansion of the original ideas and estimates. The introduction of the International Co-operation Administration grants has been an influence in this direction. New schemes have been added for the advanced training of instructors, marketing development and horticultural services and staff.

183. The Government proposes to divide the allocation of £4,378,000 under the plan in accordance with Table 18:—

TABLE 18—PROPOSED EXPENDITURE—SWYNNERTON PLAN, 1957/60

A. LANDS OF HIGH POTENTIAL	
Agricultural Department	£ (*Net*)
(1) Agricultural Investigations, Agricultural Education, Agricultural Department H.Q., Intensification of Farming, Soil Conservation Service, Irrigation Investigations and Training, Additional Assistant Agricultural Officers, Cash Crop Grants	1,660,000
(2) Cash Crop Loans (ALDEV)	100,000
Sub-total—Lands of High Potential—Agricultural Dept.	£1,760,000
B. LANDS OF HIGH POTENTIAL	£
Other Departments	(*Net*)
(3) Development of Co-operative Societies	102,000
(4) Livestock Improvement	216,000
(5) Loans to Co-operative Societies and African Farmers	100,000
Sub-total—Other Departments ..	£418,000
	£
C. WATER SUPPLIES AND IRRIGATION	(*Net*)
(6) Rural Water and Irrigation Department	177,000
(7) Individual Water Supplies (Grants and Loans) ..	50,000
(8) Dam Construction (Grants and Loans)	49,000
(9) Boreholes and Sub-surface Dams	109,000
(10) Rural Water Supplies (African Areas)	151,000
(11) Water Conservation, Northern Province (Dixey Scheme)	50,000
Sub-total—Water and Irrigation ..	£586,000
	£
D. SEMI-ARID PASTORAL AREAS	(*Net*)
(12) Settlement, Ranching and Tsetse Reclamation (ALDEV Grants and Loans)	764,000
(13) Veterinary Department—	
(*a*) African Livestock Marketing Organization ..	390,000
(*b*) Tsetse Control	260,000
(*c*) Stock Control Projects	94,000
(14) Forest Department (Grants and Loans)	106,000
Sub-total—Semi-arid Pastoral Areas ..	£1,614,000
Grand total ..	£4,378,000

(15) Accelerated Swynnerton Plan

184. The development of this section of the programme has already been outlined in the introduction to the programme of this Ministry. The rate at which the Government will be able to proceed with this programme must depend in large measure on what further development funds the Government is able to obtain. However, in view of the great importance of these schemes to political and economic stability, the Government proposes to make the interim allocations shown in Table 19:—

TABLE 19—ALLOCATIONS—ACCELERATED SWYNNERTON PLAN

	£
(1) Surveys for Planned Farming and Land Consolidation	550,000
(2) Land Consolidation, Central Province	400,000
(3) Irrigation and Swamp Reclamation	208,000
(4) Nyanza Accelerated Development of Special Areas ..	200,000
Total ..	£1,358,000

MINISTER FOR INTERNAL SECURITY AND DEFENCE

General

185. The preservation of law and order is still a matter of prime importance to peaceful economic development. But the potential capital requirements of all desirable security and defence projects would amount to a very considerable sum, well beyond the means of the country under present financial conditions. In addition there has been a proportionately high level of expenditure on security buildings in the 1954–57 programme.

186. There are in the field of defence a number of unavoidable commitments to be met in the period 1957–60, particularly in respect of military buildings. Over and above these commitments however the limited availability of capital, and the need to find the maximum possible sums for agricultural and other short-term economic development, has meant that a stringent scrutiny has had to be applied to all proposals for security and defence buildings. The test which has been applied in the case of all allocations which are not already commitments is whether or not the elimination or further reduction of the allocation may damage the whole of the country's development.

187. In the light of this scrutiny, the Government considers that an allocation of £1,370,000 (net), or £1,528,200 (gross), will enable those projects to be carried out which are indispensable for public security and defence. This allocation will be divided as follows:—

	£ *(net)*	£ *(gross)*
Police Buildings	300,000	352,000
Prisons Buildings	323,000	377,000
Military Buildings	747,000	799,200
Total: ..	£1,370,000	£1,528,200

188. A large number of the projects included in this programme represent a continuation of schemes begun under the 1954–57 programme. In order to understand the background to the present proposals, a reference should be made

to paragraphs 187 to 199 of Sessional Paper No. 51 of 1955. It should also be borne in mind that a certain amount of expenditure may still be necessary on security and defence buildings in 1957–60 in order to complete the remainder of the 1954–57 programme. This expenditure will be over and above the allocations proposed below.

(16) Police Buildings

189. An allocation of £300,000 net, or £352,000 gross, is proposed for Police buildings. This allocation includes the sum of £75,000 for the Police Training School, Nyeri, and a sum of £225,000 for Police general items. The gross allocation allows for a P.W.D. building programme of £260,000.

190. The allocation for the Police Training School, Nyeri, is for the building and furnishing of a three-wing, double-storey block, consisting of administrative offices, ten lecture rooms, and six demonstration training rooms. The existing accommodation consists mainly of inadequate temporary wooden buildings now nearing the end of their life, which are very expensive to maintain. Expenditure on the Police Training School in 1954–57 is estimated at £160,000. In view of its importance to the Police training programme this further expenditure is considered essential and unavoidable.

191. The allocation for Police general items cannot at the present stage be broken down in detail. A large programme of expenditure is necessary on police stations, offices, workshops, garages, stores, staff housing, police forts and other police installations. This allocation will enable those projects which are most urgent from a security aspect to be carried out. Fuller details of proposed expenditure will be provided when the annual development estimates are presented. It is possible that the requirements of Police African housing may have to reviewed in the course of the planning period, and a supplementary allocation considered should further funds become available.

(17) Prison Buildings

192. An allocation of £323,000 net, or £377,000 gross, is proposed for prison buildings, assuring a P.W.D. building programme of £270,000. It is proposed to divide this allocation as follows:—

	£
Kamiti Downs Prison	202,100
Shikusa Prison Training Centre	5,900
Prison Staff Housing	100,000
Miscellaneous Prison Extensions and Improvements	15,000
Total: ..	£323,000

193. The proposed allocation for Kamiti Downs Prison will enable this scheme to be completed. The full scheme value for the Kamiti project is £402,600, of which about £200,000 will be spent under the 1954–57 programme. Kamiti is the main prison for the country and is designed to hold 1,200 prisoners of all races. It will be the main centre for prisons industries, and will also include the Central Prisons Hospital, serving all prisons. This hospital will provide 150 beds. The proposed expenditure of £202,100 will include the hospital, staff housing, administration block, admission block, cell blocks, a store, punishment block, sewage, electrical work and quarry operating costs.

194. The provision for the Shikusa Training Centre, which is an important experiment in a prison-without-bars, represents the balance of the original scheme value.

195. The allocation for prison staff housing is designed primarily to cover the provision of institutional housing at existing prisons throughout the country. Many prison staff are inadequately or unsuitably housed and an allocation of this order is considered essential in order to enable prison staff to be on call in an emergency, to maintain morale and keep a contented service.

196. An allocation of £15,000 net has been included to cover the inevitable miscellaneous prison extensions and improvements. To the extent that it may be possible, any savings on other prison development schemes may be used to augment this allocation.

(18) Military Buildings

197. An allocation of £747,000 net, or £799,200 gross, is proposed for military buildings. Of this total, a portion of the proposed expenditure (£120,000) on the Lugard Barracks, Nanyuki, has already been covered by a transfer to the Development Fund from Colony revenues in 1956–57. The Government proposes to employ this allocation on the following projects:—

	£	
(i) Lugard Barracks (K.A.R.), Nanyuki	235,000	(net)
(ii) Nakuru Barracks (share of cost)	103,000	
(iii) Tabora Barracks (share of cost)	38,000	
(iv) Jinja Barracks (share of cost)	31,000	
(v) Conversion of Field Records Building for H.Q. East Africa Command (share of cost) ..	14,000	
(vi) Langata Cantonment (share of cost)	300,000	
(vii) Kenya Regiment	26,000	(net)
Total: ..	£747,000	

198. The proposed allocation of £235,000 (net), or £282,000 (gross), for Lugard Barracks, Nanyuki, of which £120,000 is covered by a transfer from Colony revenue to the Development Fund in 1956–57, will complete the scheme for rehousing one K.A.R. battalion at Nanyuki. Provision of £390,000 has been made for this scheme under the 1954–57 programme, and the total cost of the scheme is now estimated at £625,000 (net).

199. The proposed allocation for Nakuru Barracks, Tabora Barracks, Jinja Barracks and the conversion of the Field Records Building represent the cost of the Kenya contribution in 1957–60 to military "pool" projects to which the other East African territories are also contributing. The allocation of £103,000 (gross) for the Nakuru Barracks represents a Kenya contribution towards the cost of converting the former K.A.R. depôt into barracks for the East Africa Command Reserve Battalion. A previous Kenya contribution of £50,000 for this project was made under the 1954–57 programme. The allocation of £38,000 (gross) for the Tabora Barracks is a contribution towards the cost of housing a reserve unit. The allocation of £31,000 (gross) for the Jinja Barracks is a contribution towards the cost of housing a reserve unit. The allocation of £14,000 (gross) for the conversion of the Field Records Building represents a contribution towards the estimated cost of the scheme. The converted building is planned to hold East Africa Command and will enable the existing camp to be vacated. The exact Kenya liability to contribute is £14,400 and £400 may have to be paid from savings elsewhere on defence.

200. The proposed allocation of £300,000 for Langata Cantonment represents the maximum contribution which it is considered Kenya can afford towards the cost of this scheme up to 1960. The full estimated cost of this scheme, which

is intended to accommodate reserve and command units as well as Kenya units, is in the region of £2,600,000, towards which the Kenya contribution will be about £1,680,000. Of the total scheme value it is thought that about £1,400,000 can be spent up to 1960. This latter figure includes £609,000 for reserve units, towards the cost of which the Kenya contribution is £120,000 and £523,000 for command units, towards the cost of which Kenya contributes £236,000. The proposed allocation of £300,000 does not therefore represent the full sum which Kenya might be liable to pay up to 1960 if work proceeds on schedule, and it may be necessary to review the size of this allocation before 1960 in the light of the works position and the financial situation at the time.

201. The allocation of £26,000 net, or £31,200 gross, for the Kenya Regiment is planned to cover the cost of:—

	£
H.Q. Garages	10,000
H.Q. African Lines	2,000
Company Headquarters	14,000
Total:	£26,000

This allocation is considered necessary to meet the essential requirements of the Regiment now that it is reverting to its normal territorial status. The allocation for garages will provide facilities at Regimental Headquarters for garage space, maintenance workshops, vehicle washing and M.T. office and stores. The allocation for African lines will meet minimum sanitary requirements only. The allocation for Company Headquarters includes £2,000 for Nakuru and £6,000 each for Kitale and Mombasa. The Nakuru allocation will provide an office, armoury and stores. The Kitale and Mombasa allocation will each provide an office, magazine, armoury, stores, lecture room and sanitary facilities. As an alternative to the proposed expenditure at Mombasa, similar expenditure is proposed at Kericho.

TABLE 20—SUMMARY OF PROPOSED SECURITY AND DEFENCE ALLOCATIONS

	£ *Net*	*P.W.D.* *Programme*	£ *Gross*
Police—			
General Items	225.000	185.000	262.000
Police Training School	75.000	75.000	90.000
Prisons—			
Kamiti Downs	202.100	202.100	242.520
Shikusa Training Centre	5.900	—	5.900
Staff Housing	100.000	52.900	110.580
Miscellaneous extensions and improvements	15,000	15.000	18.000
Military—			
Lugard Barracks, Nanyuki ..	235.000	235.000	282.000
Nakuru Barracks	103,000	agency	103.000
Tabora Barracks, T.T.	38,000	—	38,000
Jinja Barracks, Uganda	31.000	—	31.000
H.Q. East Africa Command ..	14.000	agency	14.000
Langata Cantonment	300,000	agency	300.000
Kenya Regiment	26.000	26.000	31.200
Total: ..	£1.370.000	791.000	1.528.200

MINISTER FOR LOCAL GOVERNMENT, HEALTH AND HOUSING

General

202. The potential capital requirements of the local government authorities and social services which fall under this Ministry are virtually unlimited. In view of the limited supply of finance, a very stringent scrutiny of proposals has been applied, using the yardstick of whether or not the elimination or further reduction of a scheme will damage the country's development as a whole.

203. An allocation of £3,750,000 net or £3,866,400 gross is proposed for this Ministry, to be distributed as follows:—

	£
Local Government Loans Authority	2,080,000
African Housing (Central Housing Board and Grants for Services, African Housing)	880,000
Grants for Social Services	50,000
Medical Services	612,000 (net)
Hospital Capital Grants	95,999
Township Sewerage Schemes	32,000 (net)
Welfare Projects	1
Total	£3,750,000

Except in the case of Medical Services and Township Sewerage Schemes all allocations are gross allocations. The gross allocation for Medical Services is £722,000 and for Sewerage Schemes £38,400.

(20) Local Government Loans Authority

204. As has been stated in paragraph 201 of Sessional Paper No. 51 of 1955, this authority was established by the Local Government Loans Ordinance to "make loans to local authorities for such purposes as local authorities may be authorized by law to borrow money". The Authority operates through the Local Government Loans Fund, which is a revolving fund.

205. An allocation of £2,080,000 is now proposed for the Authority. In considering the size of this allocation it should be borne in mind that (*a*) the Authority will have a further sum in the region of £300,000 available for re-lending from repayments to the Fund, (*b*) the Nairobi City Council has separate access to the money market and is not at present dependent on the Authority.

206. The Authority has a freedom to decide what loans will be made from the funds available. It is the opinion of the Government however that the Authority should, in view of the general capital shortage, adhere to the general priorities which are now being followed by the Government, and only make loans for the undertaking of essential economic projects such as water supplies, sewers, drains and roads in urban areas.

(21) African Housing

207. As has been stated in paragraph 209 of Sessional Paper No. 51 of 1955, the Government's housing policy is to "improve the standard of housing in all areas and especially for the least advanced sections of the Colony". The capital situation will not allow of the direct investment of development funds in loans to European and Asian housing and in this field it is hoped to interest private investment, including building societies, backed where necessary

by Government sharing with building societies and the Nairobi City Council the guarantee of loans up to 90 per cent of the value of houses in cases acceptable to building societies and the Nairobi City Council.

208. The African urban population has not yet developed to a stage where it is able to take advantage, to any appreciable extent, of the facilities offered by the building societies. It is necessary therefore for Government to assist in two ways—firstly, by financing suitable African housing schemes, either directly through the Central Housing Board, or indirectly through the Board and the local authorities and, secondly, by the making of grants to local authorities towards the cost of housing services (roads, water reticulation, drains, sewers and layout) as has already been described in paragraph 210 of Sessional Paper No. 51 of 1955.

209. It is proposed to allocate £40,000 from the total African housing allocation of £880,000 for the making of grants for services. The balance of the allocation, namely £840,000, will be made available to the Central Housing Board. The Board retains freedom to decide what loans will be made from the funds available.

(22) Grants for Social Services

210. It is the accepted policy of the Government to pay percentages grants not exceeding 45 per cent of the total cost to local authorities as a contribution towards the capital cost of certain approved social services. An allocation of £50,000 (gross) is proposed for this purpose.

(23) Medical Services

211. The Government considers that an allocation of £612,000 (net) or £722,000 (gross) is essential to provide for the necessary capital improvements and extensions to medical services in 1957-60. This allocation does not include provision for capital grants to non-Government hospitals, which were previously included in part under this head and in part under the Colony Estimates. These are now all being shown as a separate development allocation over and above the allocation for medical services. The gross allocation allows for a P.W.D. building programme of £550,000.

212. The Government proposes to divide the allocation of £612,000 as follows: —

	£
Mombasa General Hospital	137,000
Institutional Staff Housing	150,000
Improvements and Extensions to Medical Institutions . .	205,000
Tuberculosis Project	20,000
Obstetric Training Unit	28,000
Resident Doctors' and Nurses' Quarters	36,000
Medical Research Laboratory Extensions	24,000
Health Education Unit	12,000
Total . .	£612,000

213. The allocation for the Mombasa General Hospital will provide for the cost of constructing an Asian and Arab block and half an African ward block. The hospital has so far been financed by means of a grant from Colonial Development and Welfare Funds and is planned to include 301 African beds and 71 Arab and Asian beds. There is a shortfall on the cost of the original scheme of £77,000 due to rising costs. After this shortfall on the original allocation has been met, the balance of the allocation will provide additional bed space.

214. No separate allocation has previously been made for institutional housing for medical staff. This has meant that many members of hospital staffs of all races, who may be required on duty at short notice, have to live at a distance from their work. This seriously reduces the efficiency and speed of the medical service. Alternatively many African staff live in overcrowded and dilapidated quarters. The proposed allocation of £150,000 will go some way towards remedying this situation.

215. The proposed allocation of £205,000 for improvements and extensions to medical institutions is designed to relieve the serious overcrowding at present existing in many Government hospitals and medical institutions. It will be used in the course of the programme to provide judicious extensions wherever the pressure is greatest.

216. The allocation of £20,000 for the Tuberculosis Project represents the Government share in the cost of a proposed scheme to tackle the tuberculosis problem. This problem now represents a serious threat to the health of the country, particularly among the African population; and following the visit of senior officers of the World Health Organization, the need for this scheme has been generally recognized. It is probable that World Health Organization support to this scheme will be made available.

217. The allocation for the obstetric training unit is designed to meet the urgent need for local facilities to train midwives and nurses in obstetrics. The requirement is for a small obstetric unit of 30 beds, equipped with delivery rooms which are sufficiently spacious to enable this teaching to be carried out. This unit would also be available for the teaching of obstetrics to Makerere undergraduates should it be agreed that they may take their clinical training at the King George VI Hospital.

218. There are at present no satisfactory quarters in Nairobi for resident doctors in their year of internship prior to full registration. An extension is also required to the nurses' hostel at the King George VI Hospital. An allocation of £36,000 is designed to meet those two requirements.

219. Provision of £24,000 is made for the construction of a new wing to extend the available space at the Medical Research Laboratory. The laboratory at present houses both the department of the Government Chemist and all the laboratory services of the Kenya Medical Department. The limitations of available space are seriously hindering the technicians in their work.

220. The Health Education Unit is at present housed in temporary buildings which will have to be demolished to make way for the buildings of the Medical Training School which are now under erection. An allocation of £12,000 is included for the construction of new accommodation for this important unit.

(24) Hospital Capital Grants

221. It is the accepted policy of the Government, subject always to the availability of funds, to pay £ for £ capital grants towards the cost of constructing new buildings in non-Government hospitals, and of equipping them. This policy is subject also to a scrutiny of the real need for the buildings, and to the proven ability of the hospital to meet the recurrent charges arising therefrom. It has been agreed in the past that the cost of certain specific grants should be met from Colony revenues. The cost of all other grants is however a charge to development funds.

222. In accordance with this policy the Government proposes to make provision from development funds for the following capital grants in 1957-60:—

	£
(*a*) Nairobi European Teaching Hospital	61,499
(*b*) Lady Grigg Asian Maternity Home	12,500
(*c*) Nakuru War Memorial Hospital	11,000
(*d*) Nanyuki Cottage Hospital	2,300
(*e*) Mount Kenya Hospital	3,500
(*f*) Kitale European Hospital	3,200
(*g*) Pandya Memorial Clinic	1,700
Total ..	£95,999

223. The grant to the Nakuru Hospital is in respect of nurses' quarters, kitchens and a children's ward. The grant to the Pandya Memorial Clinic is towards the cost of an X-ray unit. All the other grants are in respect of general hospital extensions. It should be emphasized that all these grants are based on provisional estimates of costs, and that some measure of readjustment between schemes may be necessary when the full estimates have been made.

(25) Township Sewerage Schemes

224. It is considered essential on health grounds to install sewerage schemes in certain townships. which do not yet operate a township account, and for which there is no local authority other than the District Commissioner. A number of schemes have been put forward. In view, however, of the limited capital available, it is considered that only the schemes for Bungoma, Voi, Kisii and Limuru should be carried out before 1960. The cost of each scheme has been provisionally estimated at £8,000 and an allocation of £32,000 (net) or £38,400 (gross) is therefore proposed.

225. The users of these schemes will be required to accept responsibility for both maintenance costs and capital repayments. This will normally be done through a local sewerage rate in the township concerned.

(26) Welfare Projects

226. Government policy in connexion with the assistance of welfare projects has not yet been fully defined. There are also a number of projects under consideration for which plans and estimates have not yet been completed. Such schemes include homes for the aged and infirm, alcoholics and children in need of care and protection. A token allocation of £1 is proposed to enable these schemes to be given fuller consideration in the light of the financial situation at the time when the detailed plans and estimates will have been prepared.

MINISTER FOR EDUCATION, LABOUR AND LANDS

Introduction to Proposals for Educational Development

227. The determination of the proportion of development funds which should be allotted to education is perhaps the most difficult problem which faces the Government in drawing up the development programme. Education is a social service, but it has a very considerable long-term economic importance. It is a subject which arouses strong feelings, both political and racial. It is a field in which the Government has statutory liabilities as well as moral ones.

228. The size of the demand for capital expenditure on education is determined by two factors—the rate of growth of the population, and the pressure of the demand for higher standards.

229. The extent of the population growth between 1946 and 1955 has been described in the second chapter. The European population has increased by 110 per cent, the Asian population by 61 per cent and the African population by 20 per cent. To educate this growing population there has been an educational expansion over the same period of 96 per cent in the number of European schools, 55 per cent in the number of Asian and Arab schools, and 52 per cent in the number of African schools. A more accurate picture of this expansion is perhaps afforded by the rise in the number of actual school enrolments which rose over the period by 181 per cent in European education, 118 per cent in Asian and Arab education, and 90 per cent in African education. Detailed statistics of this expansion in schools and enrolments are given in Table 21.

TABLE 21.—KENYA—SCHOOLS (*a*) AND SCHOOL POPULATION, 1946 AND 1955

Types of School and Enrolments	1946			1955		
	European	Asian, Arab & Goan	African	European	Asian, Arab & Goan	African
Schools						
Central and Local Govt.	10	22	73	18	42	41
Aided	1	46	604	15	88	2,644
Other	18	22	1,614	24	10	803
Total	29	90	2,291	57	140	3,488
Enrolments						
Primary	2,439	16,861	208,185	6,762	33,037	392,879
Secondary	772	833	395	2,283	5,547	3,060
Teacher Training ..	8	11	738	—	171	2,459
Total	3,219	17,705	209,318	9,045	38,755	398,398
Enrolments as a percentage of Total Population ..	12·9	15·9	4·1	21·4	24·2	7·0

NOTE—

(*a*) As defined in section 2 of the Education Ordinance, 1952, viz: "an institution in which not less than ten pupils receive regular instruction".

230. The pressure of the demand for higher standards is more difficult to determine. Very roughly, the European educational problem is one of maintaining standards, the Asian problem is one of raising standards, and the African problem is one of creating standards and building up a system. The best statistical indicator of educational standards is probably the number of qualified teaching staff employed, and particularly of trained graduates employed. Between 1946 and 1955, by comparison with the increases in the number of enrolments given above, which vary from 90 per cent to 181 per cent, the total number of trained graduates engaged in all branches of education increased from 137 to 511, an

increase of 273 per cent. This is a very significant indication of the improvement in standards which has already been effected, and may be effected in the near future. In view of the very limited funds which will be available for expenditure on school buildings in 1957–60, it is relevant to draw attention to this aspect of the educational programme—a development which is of as great, if not greater significance for the future of educational standards as the quality of the buildings. Statistics of teaching staff are given in Table 22.

TABLE 22.—KENYA—SCHOOL TEACHING STAFF, 1946 AND 1955

Item	1946			1955		
	European Education	Asian, Arab & Goan Education	African Education	European Education	Asian, Arab & Goan Education	African Education
Graduates						
Trained	52	36	49	140	209	162
Untrained	25	67	21	51	238	19
Completed Secondary Education						
Trained	65	107	94	220	330	743
Untrained	(*a*) 72	(*b*) 336	52	68	347	90
Not Completed Secondary Education						
Trained		12	2,068		63	5,722
Untrained		18	2,710	1	303	2,695
	214	576	4,994	480	1,490	9,431

NOTES—

(*a*) There were no trained staff with less than School Certificate. The 72 untrained teachers might well have included some without School Certificate.

(*b*) The 336 untrained teachers included a large number of non-matriculates. The statistics for 1946 do not distinguish between untrained matriculates and untrained non-matriculates.

The Educational Programme, 1957–60

231. In the last resort the total size of the educational programme depends on what the country can afford, not only in respect of the initial cost of building and equipping new schools, but also of subsequently maintaining them.

232. Within the maximum possible size of the programme, the Government can achieve a certain flexibility depending on the level of building standards adopted, and the types of education which have to be developed.

233. In the 1954–57 programme the Government expects to spend £3,267,000 or 8.9 per cent of the total capital expenditure programme on education. In 1957–60 it is proposed to allocate £1,937,700 (net) or £2,092,600 (gross) to allow for a P.W.D. building programme of £774,600. The net allocation represents 8.4 per cent of the total development programme of £23,000,000. Ideally, the Government would wish to spend not less than twice this amount on education, but in the light of other priorities it is not possible to find the money. The size of the proposed allocation will enable the Government, with difficulty, to maintain present standards and to provide for the anticipated increase in the school population. But it will not permit of higher standards of buildings, or even sufficient buildings to enable dual sessions in Asian schools to be abolished; nor will it permit of the provision for Africans of a higher proportion of places in intermediate and secondary schools, for primary and intermediate pupils respectively. In European education boarding places will have to be reserved strictly for those who cannot possibly attend as day pupils.

234. A new feature in this programme is the emphasis which is being placed on Technical and Trade Education. No special allocation of development funds has previously been made for this branch of education. An allocation of £145,100 (net) is now proposed to expand the facilities for supplying the country with skilled artisans and supervisory technical staff.

235. Finally in should be emphasized that a stringent control of building standards will be necessary to achieve the targets proposed. In African education in particular, it is proposed that classrooms, dormitories and subordinate staff housing will be built in temporary materials on permanent foundations. Other buildings will be in the most economical permanent materials available. The building programme for African schools will be carried out substantially by departmental building teams under the control of the Technical and Trades Schools.

236. The detailed application of the programme to the different sections of the Education programme is described in the subsequent paragraphs. It should be emphasized that considerable re-adjustments within this programme are likely to be required in the course of the three-year period. Such re-adjustment will be indicated at the time of submitting the annual estimates. It should be noted that the net recurrent expenditure arising from this programme, even excluding the cost of maintaining the additional buildings and paying interest and sinking fund charges on the loans is estimated at £608,600 per year. This represents an increase of over 15 per cent to the present net recurrent expenditure on education. With building maintenance and interest charges added, the recurrent addition to the annual budget rises to approximately £746,200.

(27) European Education

237. A net allocation of £322,900 is proposed for European education. The programme includes a P.W.D. building element of £281,100 and therefore the gross allocation after addition of works charges is £379,100.

238. It will be noted from the programme that the needs of the future are to be met by an increased proportion of day as opposed to boarding places, both primary and secondary. This corresponds with the changing structure of the European community which is now resident to a greater extent than before in urban and semi-urban areas. The schemes proposed are shown in Table 23.

TABLE 23.—ALLOCATIONS—EUROPEAN EDUCATION

Scheme	Works Cost	Permanent Equipment	Total	P.W.D. Element
Primary	£	£	£	£
Nakuru (Lugard)	4,000	1,000	5,000	4,000
Nairobi (New Sch. No. 1) ..	14,000	2,000	16,000	14,000
Nairobi (New Sch. No. 2) ..	14,000	2,000	16,000	14,000
Nairobi (New Sch. No. 3) ..	7,000	1,600	8,600	7,000
Mombasa (New Sch.)	7,000	1,600	8,600	7,000
Nyeri	35,000	4,000	39,000	35,000
Nakuru	17,000	2,000	19,000	17,000
Total Primary	98,000	14,200	112,200	98,000
Secondary				
Delamere High	11,000	2,600	13,600	11,000
New Day Secondary (Nairobi) (Boys)	46,000	6,000	52,000	46,000
Highlands	108,000	16,000	124,000	108,000
Total Secondary	165,000	24,600	189,600	165,000
Extensions to Existing Schools ..	18,100	3,000	21,100	18,100
GRAND TOTAL	281,100	41,800	322,900	281,100

239. If the above programme is fulfilled the following additional places will become available by June, 1960:—

TABLE 24.—ESTIMATES OF ADDITIONAL PLACES AVAILABLE BY JUNE, 1960.
EUROPEAN SCHOOLS

Scheme	No. of Places	
	Boarding	Tuition
Primary		
Nakuru (Lugard)		120
Nairobi (New School No. 1)		210
Nairobi (New School No. 2)		210
Nairobi (New School No. 3)		120
Mombasa (New School)		120
Nyeri	52	
Nakuru	168 (*a*)	
Extensions to Existing Schools		300
	220	1,080
Less Nakuru		130 (*a*)
Net increase	220	950
Secondary		
Delamere High School		100
New Day Secondary School Nairobi (Boys)		225
Highlands School	52	100 (*b*)
	52	425

NOTE—

(*a*) It is intended to build a new tuition block for 420 pupils at the Nakuru Primary School and to use all the existing accommodation for boarders but to abandon the use of wooden huts as dormitories.

(*b*) A proportionate number of tuition places has been included because work commenced on the new tuition block for this school early in 1957. Part of the funds for this block was provided in the previous planning period.

(28) Asian Education

240. A net allocation of £467,400 is proposed for Asian education. The programme includes a P.W.D. building element of £358,500 and therefore the gross allocation after the addition of works charges is £539,100.

241. Within this programme the development of facilities for teacher training is regarded as of overriding importance. No funds are available for the construction of new secondary modern schools, and facilities will have to be provided at existing primary schools to which workshops and domestic science rooms will be added. The proposals for additional primary accommodation are likely to be insufficient to accommodate the intake of new pupils and dual sessions will have to be introduced or re-introduced as necessary, on a limited scale. Provision of some hostel accommodation at secondary schools is necessary in view of the increasing numbers of pupils from rural primary schools who are qualifying for secondary education. Provision for staff housing is necessary in order to attract some European teaching staff, who are regarded as essential to the maintenance of educational standards. The provision for grants-in-aid will assist the rebuilding of some small rural schools, and the extension of some large schools. The provision for purchase of land is required for future schools in Nairobi.

242. The schemes proposed are shown in Table 25. They will provide the following additional places by 1961:—

Primary schools	2,695
Secondary schools	120
Aided schools	1,800
Total	4,615

It is however estimated that 13.000 new places will be required before 1961 to accommodate the anticipated new intake of pupils, which will raise the total school population to 50,000. In so far as the new places may fall short of the new intake, it is estimated that up to 40 per cent of all pupils up to standard IV may be required to work in dual sessions.

TABLE 25.—ALLOCATIONS—ASIAN EDUCATION

Scheme	Works Cost	Permanent Equipment	Total	P.W.D Element
	£	£	£	£
Primary				
Nakuru	12,000	1,500	13,500	12,000
Mombasa (2)	60,000	9,000	69,000	60,000
Nairobi (3)	90,000	13,500	103,500	90,000
Total Primary	162,000	24,000	186,000	162,000
Secondary				
Nakuru (Extensions)	(*a*) 6,000	1,500	7,500	6,000
Thika	(*b*) 6,000	1,000	7,000	6,000
Total Secondary	12,000	2,500	14,500	12,000
Teacher Training				
Nairobi T.T. College	20,000	1,000	21,000	20,000
Highridge T.T. College	45,000	1,500	46,500	45,000
Total Teacher Training ..	65,000	2,500	67,500	65,000
Workshops and Domestic Science Rooms				
Mombasa	5,000	1,000	6,000	5,000
Nairobi (3)	15,000	3,000	18,000	15,000
Nakuru	5,000	1,000	6,000	5,000
Total Workshops and Domestic Science Rooms	25,000	5,000	30,000	25,000
Hostels				
Nairobi	31,000	1,300	32,300	31,000
Thika	14,000	500	14,500	14,000
Kisumu	16,000	700	16,700	16,000
Total Hostels	61,000	2,500	63,500	61,000
European Housing	23,000	2,750	25,750	23,000
Grants-in-Aid	40,000	—	40,000	—
Purchase of Land	28,150	—	28,150	—
Extension to Schools	10,500	1,500	12,000	10,500
GRAND TOTAL	426,650	40,750	467,400	358,500

NOTES.—

(*a*) This scheme provides for additional laboratory and domestic science facilities.

(*b*) This will provide a small single-stream school for pupils from Central Province.

(29) Arab Education

243. The rapidly increasing interest in girls education amongst the Arab community requires the early provision of additional accommodation. More Arab boys from village schools are qualifying for admission to the secondary school and additional boarding accommodation is required.

244. To meet these requirements a net allocation of £36,331 is proposed for expenditure as set out in Table 26. This programme includes a P.W.D. building element of £32,000 and therefore represents a gross allocation of £42,731.

TABLE 26.—ALLOCATIONS—ARAB EDUCATION

	Works Cost	Permanent Equipment	Total	P.W.D. Element
	£	£	£	£
Arab Girls' Primary School, Mombasa	22,000	2,000	24,000	22,000
Arab Boys' Secondary School, Mombasa (Boarding)	10,000	800	10,800	10,000
Extensions to Existing Schools ..	1,000	531	1,531	—
TOTALS	33,000	3,331	36,331	32,000

(30) African Education

245. The broad problems which are presented by the development of the African educational system were outlined in paragraphs 221 and 222 of Sessional Paper No. 51 of 1955. They have not altered substantially since that Paper was written. The potential size of both the capital and the recurrent commitment is still such that the general introduction of compulsory education for Africans is ruled out as a practical possibility.

246. The Government proposes to make an allocation of £928,375 net or £938,975 gross for African education. With this sum it proposes to continue to maintain a balanced educational system. This system will ensure that the proportion of pupils proceeding from primary to intermediate education, and from intermediate to secondary, is maintained at not less than its present ratio. At the same time it will provide a sufficient output of trained teachers to maintain the proportion of trained staff at not less than the present ratio. In 1956 the numbers of the school population were:—

	Number
Primary (Standard I)	134,000
Primary (Standard IV)	76,000
Intermediate (Standard V)	15,500*
Intermediate (Standard (VIII)	11,000
Secondary (Form I)	970†

---

* 24 per cent of 1955 Standard IV. † 10 per cent of 1955 Standard VIII.

By 1959 it is estimated that, allowing for 20 per cent wastage, an increase of 10,000 places will be required in Standard V to allow for the present number of pupils in Standard I, who will then have reached Standard V. Similarly, to absorb the present number of Standard V pupils in secondary schools by 1959, after allowing for a further 20 per cent wastage, an increase of 270 secondary school places will be required in 1960. This demand will necessitate an expansion not only of the intermediate and secondary school systems, but also of the teacher-training colleges in order to provide the additional teachers.

247. In order to implement this programme, it is proposed to divide the allocation as in Table 27.

TABLE 27.—ALLOCATIONS—AFRICAN EDUCATION

Head	Works Cost	Permanent Equipment	Total	P.W.D. Element
	£	£	£	£
1. *Primary*				
Townships	146,000	11,500	157,500	3,000
Intermediate Boarding	33,000	4,000	37,000	9,000
2. *Secondary*	319,000	37,500	356,500	(*a*) 28,000
3. *Teacher Training*	360,000	17,375	377,375	13,000
TOTAL .. .. ..£	858,000	70,375	928,375	53,000

Note—

(*a*) This head includes the sum of £50,000 for the provision of new accommodation for the secondary school which is now housed at the Kagumo Teacher Training College. This will in effect increase the allocation for Teacher Training.

248. It is not possible to specify at present at which schools these allocations will be spent. This information will be given as far as is practicable at the time of presenting the annual estimates for development.

249. It should be emphasized that even to complete this programme within the available funds, a low standard of building construction will be essential. As has been mentioned earlier, classrooms, dormitories and subordinate staff housing will be built as far as possible in temporary materials on permanent foundations. Other buildings will be built in the most economical materials available. The building programme will be carried out mainly by departmental building teams under the direct control of the Technical and Trade Schools in the case of Government schools. Grant-aided projects will be built either by these teams or by voluntary agency teams.

250. The cost of prefabricated primary and day intermediate schools (including staff housing) in townships is estimated at £1,200 per class. The allocation of £146,000 will therefore provide 120 new classes. Two new intermediate boarding schools will be built. Sixty-five new secondary classes will be created by 1960. Fifty-four of these classes will be created by the expansion of existing schools. Eleven classes will be provided in two new schools. The allocation of £260,000 for teacher training will provide 40 new classes at a capital cost of £9,000 per class.

(31) Technical and Trade Education

251. No provision was made in earlier development programmes for Technical and Trade Education which hitherto, so far as the Education Department is concerned, has been confined to technical and trade schools (the Royal Technical College and the Mombasa Institute of Muslim Education are independent

institutions which have been the subject of special schemes). With the exception of the Kwale School, for which the capital expenditure was met from the Coast Cotton Fund, these schools have been built up in the past through sums provided under the non-recurrent head in the annual estimates.

252. To meet the insistent demand for the production of skilled artisans in sufficient numbers to meet the needs of the Colony's expanding economy it is now necessary to extend one existing school and to provide two new schools in areas where such facilities are most needed.

253. At the secondary level separate facilities for technical education up to the School Certificate stage are an urgent necessity for African students, in order to produce the type of person needed for professional careers in industry and commerce, and for supervisory posts at sub-professional level. According to their performance, students will then proceed from the Secondary Technical School to the Royal Technical College or the Technical Institute for more advanced studies. This development will provide opportunities for Africans similar to those which already exist for Europeans and Asians.

254. The accommodation now available at the Royal Technical College will be required exclusively for higher technological courses within the next two years. Alternative accommodation for Technical Institute courses must consequently be provided with a minimum of delay and it is proposed to establish in Nairobi a separate Technical Institute for students of all races. The finance available will not permit of any boarding accommodation.

255. The proposed allocations for Technical and Trade Education are shown in Table 28. The total allocation proposed is £145,100 net or £155,100 gross.

TABLE 28.—ALLOCATIONS—TECHNICAL AND TRADE EDUCATION

Scheme	Works Cost	Permanent Equipment	Total	P.W.D. Building Element
	£	£	£	£
Technical and Trade Schools				
Machakos (conversion of Rural Training Centre)	10,000	2,550	12,550	
Sigalagala (expansion)	15,000	5,000	20,000	
New School for Rift Valley ..	24,000	3,800	27,000	
	49,000	11,350	60,350	
Secondary				
Conversion of part of Kabete T.T.S.	15,000	5,000	20,000	—
Technical Institute				
Nairobi	50,000	14,750	64,750	50,000
GRAND TOTAL	114,000	31,100	145,100	50,000

(32) Education—Special Schemes

256. A grant of £27,594 is proposed as Kenya's share in the expansion proposed for the Makerere Veterinary School. Half of this sum will be required in 1957–58 and the other half in 1958–59.

257. To enable work for the welfare and education of the blind to be extended an allocation of £10,000 is proposed to provide grants-in-aid on a £ for £ basis to the Kenya Society for the Blind.

TABLE 29—ALLOCATIONS—EDUCATION—SPECIAL SCHEMES

Scheme	Works Cost	Permanent Equipment	Total	P.W.D. Building Element
	£	£	£	£
Makerere Veterinary School ..	27,594	—	27,594	—
Grants-in-Aid to Kenya Society for the Blind	10,000	—	10,000	—
TOTAL	37,594	—	37,594	—

(33) Labour Department Buildings

258. Additional office accommodation is considered necessary for the efficient operation of this department. In addition the growth of the tea industry requires that a full-time officer should be stationed at Nandi Hills. An allocation of £17,300 net or £20,300 gross is accordingly proposed to provide office accommodation at Nanyuki, Kisii, Meru, Limuru and Kikuyu and an office and housing at Nandi Hills.

(34) Survey Department

259. An allocation of £45,000 net or £54,000 gross is proposed towards the cost of African housing near the site of the proposed Survey Field Headquarters. This is regarded as an essential requirement.

MINISTER FOR FOREST DEVELOPMENT, GAME AND FISHERIES

General

260. This Ministry is concerned with a variety of natural resources which rank among those assets of the country to which special emphasis in development should be directed. The actual and potential returns from forests, game and fisheries, and the tourist trade as reflected in the national parks, are of the type which will assist the country to pay for further development.

261. In the light of these general considerations the Government proposes to allot £184,000 net or £186,200 gross towards the requirements of this Ministry.

262. The proposed division of this allocation is as follows:—

	Net	*P.W.D. Building Programme*	*Gross*
	£	£	£
Forestry Development	126,400	2,500	126,900
Game Department	16,000	8,500	17,700
Fisheries Development	8,600	—	8,600
National Parks	33,000	—	33,000
Total	£184,000	£11,000	£186,200

(35) Forestry

263. The forest development policy of the Government has already been stated in paragraph 232 of Sessional Paper No. 51 of 1955, together with an outline of the 10-year planting programme in paragraphs 233 and 234 thereof.

264. Very briefly the policy is to preserve and protect a sufficient forest estate to protect the climate, water supplies, the soil, and at the same time to provide adequate sustained supplies of forest products. This policy is being implemented through the means of a 10-year planting programme commenced in 1946 which aims to plant at a rate of 6,000 acres per year.

265. To achieve this planting target despite the shortage of development capital, it is necessary to limit the level of expenditure on protective forestry under the 1946 Plan. At the same time it should be made clear that no forest operations are wholly lacking in protective value, and a clear-cut division between protective and productive forestry cannot readily be drawn. A measure of partly protective forestry is being carried out under the forestry section of the Swynnerton Plan, the funds for which are included under the portfolio of the Minister for Agriculture. Under the Swynnerton Plan an area of nearly 2,500 acres has already been afforested for protective purposes.

266. Expenditure on forest development in the period 1954-57 has also been carried out from Emergency funds earmarked for the Kikuyu reabsorption programmme, and it is possible that as the result of adopting the recommendations of the Craib Report, the amalgamation of this programme with the 1946 planting programme may accelerate afforestation work. It will not, however, make it possible to allot funds at present for "reclamation" forestry on bare and eroded hills and water catchment areas, nor to protect existing forests in the drier areas from destruction.

267. The total allocation proposed for forestry is £126,400 net. From this allocation it is hoped to establish two new forest stations, one in the South Mount Elgon area, and the second in the Lembus Forest. The South Mount Elgon area can no longer remain a sealed area for timber extraction and must be opened to supply the timber requirements of North Nyanza. In the Lembus Forest, the Grogan concession is due to lapse in December, 1957, and a much overdue replanting programme must be commenced there.

268. The balance of the allocation will be used to provide additional buildings and water supplies in stations which are already partially established. As these stations grow, it becomes necessary to provide a full complement of houses, offices and stores. Parallel with the buildings it is necessary to provide roads in new and expanding stations and the machinery wherewith to make the roads. It is proposed to allocate funds accordingly.

TABLE 30—ALLOCATIONS—FORESTRY DEVELOPMENT

Item	*Net* £
Staff housing	31,525
Offices, stores and ancillary buildings	6,240
Water supplies	7,540
Roads	18,050
Purchase of vehicles and tractors	56,920
Purchase of equipment	6,125
Total	£126,400

(36) Game Department

269. The staff of the Game Department has recently been increased to ensure the more effective administration of the Game Laws and to prevent poaching. Game Department housing is inadequate to house this staff, and for better administration it is considered necessary to provide a small allocation to enable permanent game control headquarters at Maralal and Garissa to be established, and the headquarters at Kapenguria to be completed. It is also proposed to make some provision for huts for game scouts and for the purchase of vehicles and equipment. An allocation of £16,000 net or £17,700 gross is therefore proposed as shown in Table 31.

TABLE 31—ALLOCATIONS—GAME DEPARTMENT

Item	*Net* £
Staff housing	11,050
Offices, stores and garages	2,100
Motor vehicles	2,000
Equipment	850
Total	£16,000

(37) Fisheries

270. The development activities under this head fall into three separate sections: the development of inland trout fisheries; the development of other fresh water fisheries in rivers, lakes and dams; and the development of marine fisheries. Trout fisheries are primarily of value to the tourist industry. Other fresh water fisheries contribute largely to the nutritional needs of the population of all races, and the development of marine fisheries is also an activity of considerable economic importance as well as having some value to the tourist industry from the view point of big game fishing.

271. The development of the trout fisheries, which are mostly located in districts affected by the Emergency, involves a measure of post-Emergency restoration as well as further development. Expenditure on restoration of the Kabaru Trout Hatchery has already taken place and in due course it is hoped to restore the River Research and Development Centre on the Sagana River at Nyeri. The Sagana Fish Culture Farm, which deals with other fresh water fisheries, also had to be closed and development has been retarded, but this will now go ahead with funds to be provided.

272. The active development of coast fisheries began in 1946 with the appointment of an Assistant Fish Warden. The problems facing this officer were outlined in paragraph 217 of Volume I of the 1946 Report of the Development Committee* and their practical resolution may be divided into three phases—preliminary investigations, the investigation and improvement of methods of inshore fishing, and the investigation and discovery of suitable methods of off-shore fishing.

273. The first phase has now been completed, and considerable progress has been made with phase two. A start has also been made as part of phase three on an appreciation of the quantity of pelagic and bottom feeding fishes in the offshore fishing grounds. Improved methods and equipment have been discovered and demonstrated to African fishermen engaged in the inshore fisheries, but it is now becoming clear that Kenya can never hope to have an adequate supply of sea fish from the inshore fisheries alone. It is necessary, therefore, to press on with the investigation of offshore fisheries. For this purpose a suitable sea-going vessel is essential. The vessel at present engaged on this work, the *Menika* was built in 1942 to lower standards than normal for sea-going craft and cannot put to sea in all weathers. Nor is she capable of adaptation to carry a refrigerated hold, "asdic" fish detection gear, or modern tackle. Her maintenance costs are also becoming increasingly heavy.

274. The cost of purchasing and equipping a replacement vessel is, however, estimated at not less than £30,000, and the Government has regretfully decided that it will not be possible to find the money to purchase a replacement during the 1957–60 Programme. It is, however, proposed to allocate £2,000 for marine fishery development to cover the cost of a fish-drying shed at Malindi, a powered craft for inshore fishery investigations and minor requirements.

275. The work being carried out by the Government is complementary to that of the Marine Fisheries Research Organization in Zanzibar which carries out the higher research work necessary to guide the day-to-day investigations which the Government is carrying on in local waters.

TABLE 32—ALLOCATIONS—FISHERIES

	£
Fish Culture Farm, Sagana	4,850
Rehabilitation of Trout Streams and River Research Stations ..	1,750
Fish-drying Shed, Malindi	700
Powered Craft	1,000
Miscellaneous items, marine fishery development	300
Total ..	£8,600

(38) National Parks

276. The Government considers the further development of the Royal National Parks not only essential for the preservation of wild life, but also one of the most important components in the expansion of the tourist industry.

---

* Report of the Development Committee (Government Printer, Nairobi, 1946).

277. The further development of the Parks requires dams to provide water for wild animals during the dry season, roads to open up the Parks and facilitate both closer supervision and tourist access, new *safari* lodges and improvements to existing lodges, beacons, boundary fences and signposts, and housing for staff.

278. The Government has examined a number of proposals put forward by the Trustees of the Royal National Parks and proposes to make an allocation of £33,000 to cover capital grants to the Trustees in respect of the following proposals:—

(a) Roads	£
(i) Chyulu Hills–Tsavo–Amboselli	1,500
(ii) Aberdare National Park	2,500
(iii) Nairobi National Park	2,000
(iv) Tsavo–Ngulia	1,000
(v) Ndiandaza–Ithumba	1,000
(vi) Purchase of one D.4 tractor and one small auto patrol	9,500
Total ..	£17,500

(b) Dams and Water Supplies	£
(i) Chyulu Hills	1*
(ii) Ol Turesh	1,000
(iii) Ndiandaza	1,000
Total ..	£2,001

(c) Safari Lodge Improvements	£
(i) Ol Tukai	800
(ii) Ngulia	500
(iii) Electrical installations at Kitani and Aruba	2,000
Total ..	£3,300

(d) Beacons, Boundary Fences, Surveys and Signposts	£
(i) Aberdare Park—Treetops	500
(ii) Nairobi Park—Fencing	2,500
Total ..	£3,000

	£
(e) Staff Housing, Stores, Gates and Ranger Posts	5,199
(f) Radio and Scientific Equipment and Instruments	2,000
Grand total ..	£33,000

---

* Token vote of £1 only for Chyulu Hills Water Supply Scheme, pending a fuller technical examination and report. The cost of this scheme has been provisionally estimated at £2,500.

MINISTER FOR COMMERCE AND INDUSTRY

General

279. The Government proposes to divide the allocation of £1,450,000 (net) to this Ministry between the schemes shown in Table 33.

TABLE 33—ALLOCATIONS—COMMERCE AND INDUSTRY

	£
1. Post Office Renewals Fund	73,500
2. Geological Survey	100,000
3. Industrial Development	3*
4. Nyeri Electricity Undertaking	159,497
5. Malindi Electricity Project	50,000
6. Nairobi Airport	803,000
7. Embakasi Housing Project	8,000
8. Mombasa Airport	250,000†
9. Miscellaneous Aerodromes	6,000†
Total: ..	£1,450,000†

---

* Three token allocations.

†General works staff charges on aerodrome improvements, including Mombasa, are assessed at £25,000, making a total gross allocation of £1,475,000.

(39) Post Office Renewals Fund

280. The basis of Government contributions to this fund has already been described in paragraph 241 of Sessional Paper No. 51 of 1955. The proposed allocation of £73,500 represents the final contribution for which the Government is liable.

(40) Geological Survey

281. The proposed allocation of £100,000 represents the cost of continuing the primary geological survey of the country. This survey augments the work of the Geological Section of the Mines and Geological Department and through the completion of the primary survey, aims to promote the discovery, development and exploitation of mineral deposits.

282. The scheme was originally started with a grant from Colonial Development and Welfare Funds. No further funds are available from this source, and the bulk of future expenditure must be borne from Kenya funds. It is, however, hoped to obtain some assistance under the United Nations Expanded Programme of Technical Assistance. Under this programme the United Nations will meet the cost of the salaries of three geologists and their non-local expenditure, while the Government is required to meet local costs. These include vehicles, equipment, offices, furniture, drivers and local field staff.

283. The primary survey is now making steady progress. Over one-third of the country has been mapped in regional style and numerous mineral deposits have been examined. Fifteen reports with regional maps have so far been published, 10 more are in the Press, and 12 are under preparation. Regional surveys of two areas are proceeding in the field, and investigations are being made of pyrochlore monazite and graphite deposits.

284. Included in the total proposed expenditure of £100,000 is the sum of £5,900 to meet the liability between 1957 and 1960 for the local costs of the United Nations assistance. The sum of £6,000 has also been earmarked under the 1954–57 programme to meet any costs incurred prior to July, 1957.

(41) Industrial Development

285. This item covers the allocation of development funds to:—

(*a*) The Industrial Development Corporation.

(*b*) The Crown Estates Development Fund.

(*c*) The African Industrial Estates Development Fund.

286. The Industrial Development Corporation has been established as a statutory corporation to provide assistance with development finance to suitable industries which are unable to obtain their requirements through normal commercial channels. The Crown Estates Development Fund and the African Industrial Estates Development Fund are revolving funds which have been established to develop land for industrial purposes. The African Industrial Estates Development Fund was established in 1956 with the special object of encouraging the decentralization of industry to the African land units, and providing employment within these units. It is thus an important factor in the stabilization of labour and, in the Central Province, the reabsorption of landless Kikuyu, Embu and Meru tribesmen.

287. The Government has examined the balance sheets and commitments of these funds and the Industrial Development Corporation. It does not consider that further allocations should be made at present in view of the general financial stringency, and the balances in these funds and with the corporation. Token allocations have, however, been included to indicate support in principle to further development. The question of making substantive allocations will be considered at a later date if found necessary.

(42) Nyeri Electricity Undertaking

288. The early history of the operations of this undertaking have been outlined in paragraphs 247 to 249 of Sessional Paper No. 51 of 1955.

289. The Government considers for a variety of reasons that this undertaking cannot yet be floated as a public utility company, and it is therefore necessary to provide capital from Government sources for further expansion and development. The present demand has reached a record height of 682 kW. and by 1958 it is estimated that the demand will exceed 1,000 kW. The possibility of industrial development at Karatina may also give rise to an additional demand.

290. In the 1954–57 programme a new power station has been built and two new 500-kW. hydro sets installed. In the dry season, however, the river flow is

only sufficient to generate 360 kW. It is proposed to increase this capacity by the construction of a dam to equalize to some extent the river flow, and by the installation of a diesel generator. The sum of £65,000 has been earmarked for the dam and £31,100 for the diesel generator.

291. In addition to these items it will be necessary to purchase and install a further 500-kW. hydro set at a cost of £25,000 to meet normal development and also to provide £38,000 for extensions and improvements to the distribution system. The sum of £1,000 is required for the investigation of a new hydro site, and £100 to improve frequency control. A total allocation of £159,497 is proposed.

(43) Malindi Electricity Project

292. The allocation of £50,000 is proposed to enable a direct loan to be made by the Government to the East African Power and Lighting Co. Ltd., in order to assist with the capital needed to extend the electricity distribution system from Kilifi to Malindi. This extension is considered to be very necessary both for the tourist industry and general township development.

(44) Nairobi Airport

293. The original scheme value for Nairobi Airport as set out in paragraphs 250 to 256 of Sessional Paper No. 51 of 1955, is £1,845,000, comprising civil engineering works to the value of £1,400,000 and buildings and establishment charges to the extent of £445,000.

294. Of this total scheme value the sum of £260,973 was expended prior to the commencement of the 1954–57 Development Programme on 1st January, 1954, and a revised estimated expenditure of £1,369,027 has now been budgeted for under the 1954–57 programme. This leaves a balance of the original scheme value of £215,000 (gross) to be carried forward to the 1957–60 programme as a commitment, over and above any of the estimated 1954–57 expenditure which may be underspent and may be revoted later.

295. The balance of £215,000 is not, however, sufficient to complete the work and provide all the essential requirements of a modern airport. The Government has closely scrutinized the plans for the airport and considers that an additional allocation of £588,000 gross will be necessary. This additional proposal will provide a total allocation of £803,000 for the 1957–60 programme, and bring the total cost of the airport up to £2,433,000. Of this total cost it should be noted that under the 1954–57 programme £450,000 will have been contributed in the form of a Colonial Development and Welfare Grant, and £250,000 by way of a grant from the United Kingdom Ministry of Transport and Civil Aviation.

296. For the total cost of £2,433,000 the Government hopes to obtain an airport which will rank as one of the finest in Africa. In this connexion it is interesting to note that few other airports in the world of comparable size and status have cost so little to construct. For example, Singapore airport cost £4,100,000, and Wellington, New Zealand, cost £3,250,000. At Zurich, Switzerland, the terminal buildings alone cost £2,000,000.

297. The proposed additional allocation of £588,000 covers the following items:—

	£
(*a*) Increased salary and wage charges	40,000
(*b*) Increased cost of materials	22,600
(*c*) Costs attributable to Emergency conditions	33,000
(*d*) Cost of higher runway and taxiway specification for heavier loads up to 200 lb. tyre pressure	42,000
(*e*) Cable culvert under runway	5,000
(*f*) Extra drainage works	23,000
(*g*) Extra security measures	4,800
(*h*) Paving of traffic areas	5,000
(*i*) Landscaping	2,500
(*j*) Fencing of aerodrome perimeter	8,500
(*k*) Standings, taxiways and roads for East African Airways base (*vide* para. 256 of S.P.51)	177,000
(*l*) Electrical aids and installations	30,920
(*m*) Additional tarmacadam and drainage for terminal buildings	16,000
(*n*) Water supply—borehole and connexions	22,500
(*o*) Contingencies	43,979
(*p*) Additional cost of land (Token allocation to allow for Collector's decision)	1
(*q*) Additional accommodation for Meteorological equipment	5,000
(*r*) Building for electric stand-by plant	7,200
(*s*) Lamson tubing communication system	3,000
(*t*) Additional freight space	24,000
(*u*) Radio beacon buildings	5,000
(*v*) Fire station, radar mast and hose drying tower	18,000
(*w*) Baggage handling equipment	12,000
(*x*) Battery recharging plant	2,000
(*y*) P.A.B.X. telephone exchange	13,000
(*z*) Miscellaneous equipment and vehicles	10,000
(*aa*) Additional cost of buildings over original estimate	12,000
TOTAL	£588,000

(45) Embakasi Housing Estate

298. The establishment of the new Nairobi international airport at Embakasi is likely to give rise to considerable development in this area, which lies within the local authority boundaries of the Nairobi County Council. This Council has not hitherto had the powers of a planning authority nor the necessary organization. The Government considers however that the probable development at Embakasi, as well as elsewhere in the Council area, now warrants the setting up of a planning organization by the Council in order to regulate and plan development. In order to enable the Council to set up the necessary organization, the Government has authorized a direct development loan of £14,000 to the Council. Half this loan will be paid under the 1954–57 programme and the balance of £7,000 under the 1957–60 programme.

299. The housing estate when planned must of necessity accommodate considerable numbers of Government staff who will be working at the airport. A token allocation of £1,000 is included on this account to enable the size of the allocation for this purpose to be considered when the County Council has completed the initial plans.

(46) Mombasa Airport

300. Plate-bearing tests recently carried out at this airport show that very considerable reconstruction of the runways will be necessary if they are to be brought up to a standard which will enable Argonaut aircraft, of the type which the East African Airways Corporation propose to purchase, to land there regularly. Alternatively, it has been shown that even for the continued use of Dakota aircraft, either very heavy maintenance costs must be incurred, or runway reconstruction must be undertaken at a cost not substantially less than that required to make the airport usable by Argonauts.

301. In the light of these tests, the Government proposes to make an allocation of £250,000 (net) to enable the airport to be reconstructed up to Argonaut standard. The cost of the general works staff engaged on this project will be covered in the overall allocation of the Ministry of Works.

(48) Miscellaneous Aerodromes

302. An allocation of £6,000 (net) is proposed to allow for a variety of minor improvements at the smaller aerodromes throughout the country. This allocation has been provisionally earmarked as follows:—

	£
Aerodromes in Northern Province	1,500
Kisumu Aerodrome	2,000
Contingencies	2,500
Total: ..	£6,000

303. It will be noted that no provision has been made under this programme for the further development of Malindi aerodrome. A sum of £19,620 has been provided under the 1954–57 programme for the purchase of land and construction up to a grass standard. In the light of the general financial position, the volume of traffic at Malindi, and the heavy expenditure which will be required at Mombasa airport, the Government has regretfully decided that the allocation of further funds to Malindi aerodrome cannot be justified at present.

MINISTER FOR WORKS

General

304. Four distinct interests of this Ministry appear in the development programme. In the first place there are the departmental development needs of the Public Works Department. In the second place, there is the road development programme, in connexion with which, under the Road Authority Ordinance, 1950, the Government's agent for the formulation and execution of policy in the planning, construction, maintenance and repair of roads is the Road Authority. Thirdly, there is the allocation for public works (non-recurrent), comprising minor works, minor improvements and certain small works projects of the type which occur in the course of the day-to-day business of the Government. These works are included in the development programme since they represent capital expenditure on buildings and other works, and also because there are certain planning advantages in relating them to the development programme. They are not, however, development works of the type suitable for financing from a loan programme, and for this reason their cost is covered by a transfer to the Development Fund from Colony revenues. Finally, there is provision for general works staff, of which brief mention has already been made.

305. An allocation of £4,207,900 is proposed for the Ministry, as shown in Table 34.

TABLE 34—ALLOCATIONS—MINISTRY OF WORKS

		P.W.D. Building Element
	£	£
Public Works Department ..	375,000	370,000
Roads	2,000,000	—
Public Works (Non-recurrent) ..	750,000	*
General Works Staff	1,082,900	—
Total: ..	£4,207,900	370,000

* The overheads and general expenses on projects charged to Public Works (Non-Recurrent) are met from the Colony Revenue Votes of the Public Works Department. This allocation does not therefore require additional general staff charges.

(50) Public Works Department

306. In relation to the increased responsibility and activities of the Public Works Department over the past decade, development expenditure on the domestic installations of the Department has been relatively small. The Government now considers that in the interest of efficiency, a somewhat larger allocation of development funds should be made available for modernizing and expanding the yards, offices, workshops and other installations of the Department. An allocation is also considered essential for departmental housing, much of which is insanitary and condemned.

307. With these points in mind an allocation of £375,000 net, or £449,000 gross, is proposed for the schemes set out in Table 35.

TABLE 35—PUBLIC WORKS DEPARTMENT DEVELOPMENT PROGRAMME

	£ (*net*)
1. *Staff Housing*—	
(*a*) Subordinate staff	150,000
(*b*) Junior supervisory staff	20,000
(*c*) Senior technical staff	1,500
2. *Yards and Offices*—	
(*a*) Timber Seasoning Yard	15,000
(*b*) Cement and Water Chemicals Stores ..	14,000
(*c*) Completion of new Kisumu Yard	45,000
(*d*) New Mombasa Yard	100,000
(*e*) Miscellaneous Yards and Workshops ..	4,500
3. *New Headquarters Offices for P.W.D. and Ministry of Works*	25,000
Total: ..	£375,000

308. From the provision for staff housing priority will be given to rehousing Africans from condemned accommodation in Buckleys Road, Nairobi, and the estimate will also permit the demolition and replacement of unsatisfactory Asian housing on Commercial Street and at the old Mauritian Camp.

309. The proposals for the timber yard will increase the output of seasoned timber from the Department's kilns. The existing cement stores are derelict wood and iron buildings which are beyond repair and must be replaced. Completion of the new Kisumu yard is a commitment and will release a valuable site for general development in the centre of the town. The existing yard at Mombasa also occupies a valuable site on Kilindini Road, not well suited to workshop and stores activity. Buildings are old, overcrowded and there is no room for expansion. An option on a very suitable new site at Shimanzi was obtained from the Railway authorities some years back, and a move is essential both for efficient working and so as to release the existing site. The cost of the full development of the new yard will exceed £100,000 but the value of the site vacated, assessed at some £150,000, can be offset against the cost.

310. The proposed allocation of £25,000 for new headquarters and Ministry offices is intended to cover the planning of the project and preliminary works. The full cost of the scheme will be in the region of £300,000. The Government considers it essential that this project should be started during this planning period. A recent review of office accommodation has shown that sections of the Public Works Department are more congested than any other department and expected to work under conditions which make proper efficiency impossible. The existing buildings are depressing and inconvenient, and by deterring recruitment have contributed to a number of the staffing problems of the Department. Bearing in mind that this is a major spending department, the Government considers that the proposed expenditure on a new headquarters will be well recovered in improved efficiency of working. The new building will be sited in Coronation Avenue and will house the Ministry, the Road Authority, and P.W.D. headquarters branches other than those best located in the Industrial Area.

(51) Roads

311. The factors which determine the possible size of the allocation for road development have been mentioned briefly in the first chapter. The allocation of £2,000,000 which it is now proposed should be made for road development works is the result of the operation of these factors, and is not the size of the programme which the Government would wish to undertake had it the money available.

312. The full allocation of £2,000,000 excluding the sum of £20,000 earmarked for the improvement of strategic roads in the Northern Province, will be made available to the Road Authority as a grant towards the cost of much fuller programmes of improvement and reconstruction. The Road Authority projects which Government proposes to finance from the allocation made are set out in Table 36. Within the broad pattern given, and bearing in mind the need to concentrate on roads which will enable agricultural produce to be moved, the Road Authority will have discretion to apply for agreement to vary the schemes in respect of which grants are being made. The programme outlined is intended to give a definite bias to roads required for agricultural production. The only bitumenization proposed outside local authority areas is to complete the existing programme on the Mombasa road from Kwa Jomvu to Mariakani.

TABLE 36.—SELECTED ROAD AUTHORITY DEVELOPMENT PROJECTS

Scheme	£	Remarks
1. Grants to Municipalities	137,000	
2. Grants to County and District Councils.	300,000	For agricultural production roads
3. Grants to African District Councils	180,000	For agricultural production roads
4. Development Staff and ancillary charges.	450,000	
5. *Main and Trunk Roads*		
(*a*) Planning	40,000	For all agencies.
(*b*) Plant Purchase	90,000	For local authorities.
(*c*) Compensation	50,000	Mainly land acquisition.
(*d*) Mombasa-Mariakani ..	118,000	Bitumenization.
(*e*) Kedowa-Kericho	135,000	New gravel road.
(*f*) Nandi Hills Road	35,000	Reconstruction (gravel).
(*g*) Ahero-Kisii	120,000	Reconstruction (gravel).
(*h*) Nyeri-Sagana	100,000	Reconstruction (gravel).
(*i*) Mau Summit-Eldoret ..	100,000	Reconstruction (gravel).
(*j*) Mombasa Ferries	25,000	Supplementary provision for Likoni Ferry. Improvements in previous plan.
(*k*) Bridges	100,000	
TOTAL .. ..£	1,980,000	

(52) Public Works Non-Recurrent

313. An expenditure of £250,000 per year is expected to be required for minor works, minor improvements and miscellaneous works of a non-recurrent nature which are not considered suitable for financing from loan funds.

(53) General Works Staff

314. The method of calculating the cost of the contributions to the general works staff on account of development works has already been mentioned very briefly in paragraph 87 above. The total size of the works staff, and hence its

cost, is of course dependent on the size of the works programme, including maintenance routine as well as new construction. It cannot however be directly related in entirety to the estimated works cost of the projects to be carried out in any one year. A Government works organization must always engage in forward planning and this element is reflected in contributions to the estimated cost of the works staff, for which an allocation of £1,082,900 is proposed. The basis of this calculation is shown in Table 37.

TABLE 37.—CONTRIBUTIONS TO COST OF GENERAL WORKS STAFF

	£	Note
1. Contribution for Building Works Programme	805,700	(*a*)
2. Contribution for Hydraulic Works Programme	145,800	(*b*)
3. Contribution for Aerodrome Works Programme (other than Embakasi)	25,000	(*c*)
4. Contribution for Sewerage Works Programme	6,400	(*d*)
5. Contribution for cost of Hydrological Research and Investigation and Planning of Hydraulic Projects ..	50,000	(*e*)
6. Contribution for Building Planning Costs	50,000	(*e*)
TOTAL	1,082,900	(*f*)

NOTES—

(*a*) This contribution is based on 20 per cent of the works cost of the following programme of building works to be met from Ministerial allocations:

Portfolio	£ (*Works cost*)	*Contribution* £
Chief Secretary	515,000	103,000
Legal Affairs	6,500	1,300
African Affairs	75,500	15,100
Agriculture, etc.	655,000	131,000
Defence	791,000 (excl. Pool Works)	158,200
Local Government, Health and Housing	550,000	110,000
Education, Labour and Lands	834,600	166,900
Forests, Game and Fisheries	11,000	2,200
Commerce and Industry	—	
Works (P.W.D.)	370,000	74,000
Community Development	80,000	16,000
Finance and Development	140,000	28,000
TOTAL	£4,028,600	805,700

(*b*) This contribution is based on 20 per cent of a Hydraulic Works Programme of £729,000.

(*c*) This contribution is based on the assessed cost of General Works Staff charges to be incurred on aerodrome engineering works other than Embakasi Airport for which other provision is made.

(*d*) This contribution is based on 20 per cent of a Township Sewerage Works Programme o £32,000.

(*e*) These contributions reflect the estimated cost of forward planning and hydrological research and investigations necessary to future development plans.

(*f*) No contribution has been included here for the cost of the Road Works Staff, which appears as a special item in Table 36 and is covered by the payments made to Government by the Road Authority for P.W.D. staff.

315. It will be noted that the contributions in respect of building, hydraulic and sewerage works are based on 20 per cent of the estimated works cost. This figure is supported by current operative costs. It is possible however that in the course of the programme, the lower level of P.W.D. building activity proposed may result in a higher proportionate overhead cost per project since the field over which to distribute overhead costs will be smaller. Should this happen a supplementary allocation for the general works staff may be necessary before the programme is completed.

316. No deduction has been made for a contribution to the cost of the general works staff engaged on military pool works and certain other schemes, and agency fees will be raised by the P.W.D. when the work is carried out. The proceeds of these agency fees will be available to augment the direct allocation from the development programme. A first scrutiny of the development programme shows the following schemes against the whole or part of which agency fees may be leviable.

	£
Kenya Broadcasting Scheme	300,000
Military Pool Works	1,471,000
Total: ..	£1,771,000

317. The extent to which agency fees should be raised in respect of grant-aided schemes is not yet clear, as in a number of cases no decision has yet been taken as to which individual schemes are to be regarded as grant-aided. Where however a scheme is partly financed from Kenya funds and partly from sources such as Colonial Development and Welfare funds, if allowance has already been made for the works element in the scheme in calculating the contribution to the cost of the general works staff in Table 37 above, no further agency fee will be raised.

318. In the event of there being a backlog at the commencement of the new planning period of works from the 1954–57 programme, the proposed contribution may be augmented by the revoting of a proportion of the general works staff provision from the 1954–57 planning period.

MINISTER FOR COMMUNITY DEVELOPMENT

Introduction

319. The scope of the activities of the Department of Community Development and Rehabilitation was outlined in paragraph 279 of Sessional Paper No. 51 of 1955. Very briefly, the Department is concerned with informal adult education in the widest sense, to which it deliberately gives a rural bias. In the rehabilitation field, the Department controls the rehabilitation services of the penal system—Probation Services, Approved Schools, and Juvenile Remand Homes, and also has the task of freeing *Mau Mau* detainees from their obsession with these doctrines.

320. In the field of Community Development and informal adult education, the Department operates on a dual front. The first approach to the African is made in the field through rural betterment schemes, women's groups, youth clubs, and recreational activities such as sport and music. In general the Department develops any form of activity which will arouse the interest and support of the African, and will create in him a desire to raise his own standard of living and make himself a better citizen by his own efforts.

321. This informal approach in the field is supported by courses for adults—both male and female—at the Jeanes Schools and at the homecraft training centres. The original Jeanes School at Kabete has now been augmented by a second school in Nyanza at Maseno. Homecraft training centres have been established at Kakamega, Kisumu, Kericho, Machakos and Meru and others are being built at Kisii, Njoro and Bungoma.

322. These homecraft training centres form a part of the *Maendeleo ya Wanawake* (Women's Progress) Movement. This movement aims at raising, through the training of African women, the general standard of living in the home and the sense of social responsibility. The movement has made remarkable progress in the last few years mainly in the African areas. Starting in 1951, the movement had 230 groups and 10,500 members by 1954. By 1956 the number of registered groups had more than trebled again and stood at 794. The registered membership has considerably increased since 1954 and in 1956 stood at 25,743. There are a similar number of unregistered members. The homecraft centres teach hygiene, child-care, nutrition, cooking, agriculture, civics, handicrafts and recreational activities. A major share of both capital and recurrent costs in districts is met by the local authorities. The central government usually assists with grants-in-aid and the salaries and expenses of supervisors.

323. The work amongst women has progressed so well that care must be taken to see that the women do not outpace the men. As the size of the *Mau Mau* rehabilitation problem dwindles, it becomes possible to concentrate more efforts on the training of men, and in due course it is hoped to start district training centres for men.

Proposed Allocations, 1957 60

324. An allocation of £126,300 net or £142,300 gross is proposed for this Ministry. This allocation will be divided as in Table 38.

TABLE 38—ALLOCATIONS—COMMUNITY DEVELOPMENT

	£ *net*	*P.W.D. Building Programme*
(1) Community Development Field Projects ..	45,675	—
(2) Jeanes Schools—		
(*a*) Kabete	38,000	38,000
(*b*) Maseno	22,000	22,000
(3) Juvenile Remand Homes	6,800	6,800
(4) Approved Schools	7,525	7,500
(5) Probation Hostel, Nairobi	6,300	5,700
Total ..	£126,300	80,000

All buildings will be constructed to the most economically possible standard in conjunction with the Ministry of Works.

(54) Community Development Field Projects

325. The allocation of £45,675 includes the sum of £4,500 to provide a matching contribution during 1957-58 to an International Co-operation Administration grant for extending Community Development work and placing additional officers in the field. Details of this scheme were set out on page 44 of Sessional Paper No. 97 of 1955. The balance of £41,000 odd will be employed to make grants-in-aid for district projects.

(55) Jeanes Schools

326. The allocation of £38,000 to the Jeanes School, Kabete, will enable further dilapidated temporary buildings to be replaced by permanent buildings and provide certain essential new buildings, sanitation, and other works. The need for these replacements has already been outlined in paragraphs 280 and 281 of Sessional Paper 51 of 1955. The sum of £60,800 was allocated under the 1954-57 programme. The full replacement programme has been estimated to cost £260,000.

327. The allocation of £22,000 for the Maseno School is designed to increase the capacity of this school from 50 to 100 before 1960. This will permit the concurrent running of four courses of 25 students, instead of two courses, and enable the overhead resources of this school to be used more economically. The final capacity of this school is planned as 200 students.

(56) Juvenile Remand Homes

328. The allocation of £6,800 is intended to provide one home at Nakuru and one at Kisumu, each at a cost of £3,400, to house 10 juveniles each, as well as an assistant probation officer who will supervise the home in addition to his normal duties. Homes at Nairobi (Kabete), Mombasa and Thika are already included in the 1954-57 programme.

(57) Approved Schools

329. An allocation of £3,525 is proposed for the Kabete School and £4,000 for the Dagoretti School to provide much-needed improvements and extensions. Neither school was originally built for the purpose it now serves, and the buildings are in many respects, inadequate and inefficient. The allocation will provide additional dormitories, classrooms, workshops, ablutions, quarters and electric wiring.

(58) Probation Hostels

330. An allocation of £6,300 is proposed to provide a probation hostel in Nairobi where the need is particularly acute. Temporary facilities are at present available in a rented house, but control and supervision of probationers is very difficult, and recreational facilities are not available. The existence of an adequate probation hostel can make all the difference between the success and failure of a probation order, by keeping the probationer out of temptation while he finds employment and a proper lodging. It is particularly important for ex-approved school youths.

MINISTER FOR FINANCE AND DEVELOPMENT

(59) Central Stores and Transport Organization

331. The proposals for establishing a Central Stores and Transport Organization were outlined in paragraph 277 of Sessional Paper No. 51 of 1955. The total commitment for this project is £400,000 and an allocation of £143,600 is now proposed to complete the balance of the scheme and meet the outstanding commitment.

CHAPTER V—THE RECURRENT IMPLICATIONS OF THE PROGRAMME

332. An attempt to forecast the recurrent implications of a development programme is inevitably the most speculative part of the whole programme, being based not only on the assumptions made in connexion with the drawing up of the programme, but also on certain additional assumptions about interest rates, building maintenance costs, salary levels and departmental establishments. For this reason such a forecast must be made with reservations and treated with reserve.

333. A development programme has recurrent implications both for the expenditure and revenue sides of the annual recurrent estimates. Many of the effects on the revenue side are, however, very indirect and arise only through the long-term effect of the programme in increasing the national income. These effects are not susceptible of easy measurement in the same way that the effect of a loan programme on national debt service charges can be measured on the expenditure side of the recurrent estimates. As mention has already been made in an earlier chapter of the rising trend in the national income, and as the probable effects of the programme on the Colony revenues cannot be measured precisely, no further mention will be made here of this aspect of the recurrent implications of the programme.

334. The recurrent implications for expenditure can be divided under three main heads—loan charges, which comprise interest and sinking fund payments; works maintenance costs; and establishment costs which include salaries and other charges incurred in running new institutions.

335. The recurrent cost of loan charges depends primarily on the prevailing interest rate in the gilt-edged market at the time the loans are floated. In the present state of the market the Government would be unable to obtain loan funds at an average rate of interest substantially below 5½ per cent, and it is therefore proposed for the purpose of this exercise to calculate interest charges on this basis. In addition to interest charges, it will be necessary to add a further 1 per cent for sinking fund charges, making a total for loan charges of 6½ per cent of the loan programme proposed.

336. Works maintenance costs include the cost of maintaining buildings, roads, water supplies and sewers. The cost of the last two items is normally covered by revenue derived from schemes, and for purposes of this exercise their cost can be ignored. The cost of road maintenance other than the cost of loan charges which are borne by the Colony Budget is to a large extent covered by hypothecated revenue of the Road Authority. In other cases, such as access roads to buildings, the cost is included in the building maintenance cost. It is therefore proposed also to ignore road maintenance costs other than loan charges and to calculate recurrent works maintenance costs on the basis of 1½ per cent of the capital value of the building programme. The programme includes a P.W.D. building element of a little over £4,000,000. Adding to this figure the amount of building work that will be carried out departmentally, it is probably reasonable to assume that the recurrent cost on account of building maintenance will be a total of 1½ per cent of £5,000,000, i.e. £75,000, rising at the rate of £25,000 per annum throughout the period.

337. The recurrent cost of establishment charges is perhaps the most difficult to estimate. The question also arises of defining what is an inevitable recurrent cost in this context. For example, a substantial portion of the development

expenditure under the agricultural programme is itself of a recurrent nature. A large part of this expenditure is also of such a nature that it can be terminated on the completion of the development programme. In this respect it differs from recurrent expenditure arising under the educational and medical programmes. The development benefits from these latter programmes can only be fully enjoyed if the recurrent expenditure programmes are maintained at the level necessary to run the schools and hospitals adequately. For the purposes of this exercise, therefore, it is only proposed to include under establishment charges the recurrent cost in terms of salaries and other charges of running the new institutions and extensions to institutions that will be constructed under this programme.

338. On this basis the estimated additional recurrent cost of the programme is £2,135,300 by mid-1960. The basis of the calculations is set out in Table 39.

TABLE 39.—ESTIMATED RECURRENT COST OF DEVELOPMENT PROGRAMME BY MID-1960

Item	Additional Recurrent Cost by mid-1960
	£
1. *Loan Charges* (at 6½ per cent of £18,000,000)	1,170,000
2. *Building Maintenance* (at 1½ per cent of £5,000,000)	75,000
3. *Establishment and Other Charges*	
(*a*) Administrative Sub-stations	18,000
(*b*) Medical institutions	52,000
(*c*) Forest stations	30,000
(*d*) Schools	(*a*)
(i) European	103,600
(ii) Asian	141,000
(iii) Arab	13,500
(iv) African	298,750
(v) Technical and Trade	49,150
(vi) Special Schemes	3,000
Sub Total—Schools	609,000 (*a*)
(*e*) Community Development	
(i) Jeanes Schools	2,350
(ii) Probation Hostels	2,500
(iii) Juvenile Remand Homes	1,450
Sub Total—Community Development	6,300
(*f*) Broadcasting Scheme	175,000 (*b*)
TOTAL £	2,135,300 (*c*)

NOTES—

(*a*) Net cost after deduction of additional school fees.

(*b*) Gross cost against which can be offset (i) additional wireless licence fees (ii) spot advertising revenue (iii) saving on present cost of African Broadcasting Services.

(*c*) No figure has been included for the recurrent cost of the new Nairobi Airport.

339. To arrive at the net recurrent cost to the Government of the loan programme and hence the total net recurrent cost, the cost of loan money which will be re-lent to other bodies should be deducted. It is not possible to estimate very accurately the sum whch should be deducted on this account, but an assessment has been attempted in Table 40.

TABLE 40—ESTIMATED RE-LENDING PROGRAMME 1957/60

Item	*Re-lending Authority*	£
1. Land Bank and land development loans.	Land Bank and direct loans	1,300,000
2. Produce Storage.	Maize and produce control	75,000
3. African agricultural development.	African Land Development Board, Co-operative Societies, etc. ..	443,000
4. Irrigation schemes.	Irrigation Board	104,000
5. Local Government development schemes.	Local Government Loans Authority	2,080,000
6. African housing.	Central Housing Board ..	840,000
7. Nyeri electricity supply.	Nyeri Electricity Undertaking	159,500
8. Malindi electricity supply.	E.A. Power and Lighting Co. Ltd.	50,000
	Total re-lending programme	£5,051,500

340. If it is assumed that the money to be re-lent carries loan charges at the rate of 6½ per cent per annum, then a deduction of 6½ per cent of £5,051,500, namely £328,300, can be made from the gross recurrent cost of the programme which is £2,135,300 per annum, to give an annual net recurrent cost to Government after mid-1960 of £1,807,000. As against this additional cost that will be incurred it is not unreasonable to hope that if the terms of trade are maintained, there will be an annual rise in ordinary revenue of not less than £2,000,000 per year, or a total rise of not less than £6,000,000 over the three-year period, from which to meet the additional net recurrent cost of the development programme.

APPENDIX A

POTENTIALITIES AND ACHIEVEMENTS OF THE SWYNNERTON PLAN

1. In the "Plan to intensify the development of African agriculture in Kenya"* it is made clear that it will take from 15 to 20 years to achieve the targets of improving farming in the African areas of Kenya by land consolidation and enclosure, the registration of land titles, farm planning, the development of cash crops, the improvement of water supplies, of livestock, of grassland management in the pastoral areas and of marketing.

2. In some directions, partly because of the Emergency, the Plan has gone ahead more quickly than expected; in others it is keeping to the time table; and in others it has lagged behind. For instance, recruitment and training of staff has been at a faster rate than expected but building of accommodation a good deal slower.

3. In the areas of high potential where fragmentation of individual land holdings was at its worst, the first and most important step has been to achieve land consolidation. In the Central Province, the Emergency has created a climate where the people are most receptive to the idea, so much so that it is anticipated that land consolidation, including demarcation of consolidated holdings on the ground will be completed by the end of 1958 instead of over 15 to 20 years. For instance, in Kiambu alone fragments have been gathered on 65,000 acres and work is proceeding at the rate of 2,500 acres a week. While disposing of one problem, the achievement of land consolidation creates a vastly increased demand for farm planning services to enable the farmer to develop a planned and economic farming system which, because of the backwardness and ignorance of modern farming techniques amongst the African population, requires a numerous and strong farm planning and advisory staff in each location, division and district. Land consolidation, particularly in Nyanza Province, has made much slower progress but it is considered that by the time the Central Province effort is completed in 1958, education and propaganda will have created such a demand that it will be necessary to switch the Central Province effort on fragment gathering, demarcation of holdings, survey of boundaries and registration of titles to Nyanza Province and the other provinces of Kenya. This in turn will have to be followed up by planned farming, the development of cash crops, water supplies, improved livestock and so on. In Nyanza Province, a number of district joint water boards have been established to administer loan and grant funds for the development of individual and group water supplies.

4. The rate of development of cash crops has varied. The planting of coffee, for which there is a large and, at present, firm and profitable demand, has gone ahead at a rapid and sound rate. Coffee nurseries have been established in all suitable areas to permit of planting 5,000 acres of new coffee a year. Processing factories, developed by loans to co-operative societies, have been developed at 68 centres. In the past five years the numbers of African coffee growers have increased from 5,000 to over 30,000. Of a target of 3,000 acres, 400 acres of tea have been planted in the Nyeri and Embu Districts and nurseries established to plant 500 acres per annum while one tea factory costing £68,000 has been built and another costing £35,000 ordered. African tea-growing has been commenced in Kericho District and an expert will be advising on similar developments in the South Nyanza, North Nyanza, Nandi, Kiambu, Fort Hall Districts

---

*Government Printer, Nairobi, 1954.

and the forest areas of Embu District. Pyrethrum growing by Africans has been expanded in the Central, Rift Valley and Nyanza Provinces to 2,000 acres and will continue to develop at a rate controlled by market demand. Pineapple growing is being steadily expanded in Kiambu and Fort Hall Districts and stands at about 4,000 acres at present. Trials are in progress in Nyanza Province. Sugar cane blocks totalling 300 acres have been established in South Nyanza and future development will depend upon expert technical advice. The establishment of co-operative societies to collect and market these cash crops and other farm produce has gone ahead steadily. A scheme for the improved cultivation and expanded planting of coconuts and cashewnuts in all the coastal strips is progressing well, while an improved variety of cotton is being introduced into the Coast Province and South Nyanza District. Entomological staff is undertaking special investigation into the control of pests affecting these last three crops, cotton and coconuts being particularly affected. The experience of recent years has indicated that horticultural crops, particularly for canning, could become major cash crops in Kenya and work on this aspect requires intensification.

5. Because of the need to find employment for Kikuyu detainees and to provide resettlement areas, work on irrigation development at Mwea Tebere (south of Mount Kenya) and at Perkerra (Baringo) has gone ahead faster than expected. At Tebere the construction of headworks and canals, for the first 14,000 acres out of a possible total of 30,000 acres, has gone very much ahead of land levelling and preparation, which is heavy in an area of undulating topography. An initial 1,000 acres has been brought into cultivation in 1956 on which prospective settlers are being trained in irrigation, and an irrigation research station has been established for which an officer has been specially trained. On the Perkerra scheme engineering works are complete and the first section of 1,200 acres out of the prospective 3,000 acres is under cultivation. Experienced irrigation managers for these schemes have been obtained from the Sudan. In Nyanza Province a complete hydrological survey has been undertaken by contractors, Sir Alexander Gibb and Partners, and the final report will be ready shortly. An interim report has indicated that 29,600 acres are irrigable if a capital outlay of £2,900,000 can be made, the area being suitable for planting half to rice and half to sugar cane. The site for an irrigation research station is being secured on the Kano Plains. A promising area at Lodwar in Turkana has been surveyed and trials of flood plain and desert soil irrigation at Hola on the Tana River initiated.

6. Agricultural investigation in African areas has been progressively developed. Large numbers of variety trials are indicating the means of extending the known areas suitable to coffee growing. Sites for coffee experimental sub-stations have been selected in Meru and South Nyanza. Rotation, fertility and fertilizer trials are indicating improved systems for raising fertility and output of crop and stock products. A new experimental station has been established in the Ukamba country to deal with the problem of denuded African lands, their restoration and subsequent management, while research into grassland and its management in such areas is being initiated in Machakos and Baringo. Specialist staff has been trained and is arriving to enable work to begin on the improvement and expanded growing of coastal tree crops.

7. Extensions to the agricultural training centres at Siriba (Nyanza) and Embu (Central) have enabled the expanded requirement of trained African agricultural instructors to be met, and the development of farm institutes is proving valuable for training farmers and women instructors. There is a need for an extension of this form of agriculture, particularly on a wider basis in co-operation with the Jeanes Schools.

APPENDIX B

GOVERNMENT OFFICE ACCOMMODATION

1. In view of the very limited funds which can be made available for new office construction in the 1957/60 programme, the Government has made a general examination of the standards and utilization of office accommodation, in the course of which a number of offices either owned or rented by Government have been inspected, as well as, for purposes of comparison, several commercial office buildings.

2. It has been found that there are substantial differences in the utilization of space as between various Government offices. Although certain of these differences can be attributed to the basic design of the buildings, others can not. There are instances of comparatively junior staff occupying as much as 200 square feet each. Elsewhere there is overcrowding. The comparison with commercial buildings reveals that, although senior staff of private firms are allowed a similar amount of space to that allotted to the more senior Government servants, there is more sharing of rooms by junior grades than in Government offices. Supervision of work by junior staff in commercial offices is also facilitated by placing clerical staff in large rooms, and by the use of glass partitions. This is a system seldom used in Government offices.

3. The Government has concluded that there are a number of faults in the present utilization of Government office accommodation. In some buildings the use of space is too lavish; large staff units seldom share a single room where they can be supervized; junior officers often occupy undue space; and some waiting rooms are seldom used.

4. The Government realizes that the design of existing buildings often precludes the best utilization of space. Therefore any general rules cannot be overstrictly applied to buildings already owned or rented, although they can be enforced in new buildings to be erected in the future. Nevertheless utilization of existing offices can be improved considerably and the Government has therefore set in train a general examination of accommodation in all existing offices. It proposes to apply certain principles and standards wherever possible, viz.,

(*a*) Standards of accommodation:—

Designation	*Space in sq. ft.*
Head of Department	200 to 240
Deputy Heads and Specialist Officers	100 to 140
Other Senior Officers (Assistant Secretaries and equivalent)	80 to 120
Personal Secretaries, Grade I	80 to 120
Other Personal Secretaries and Stenographers ..	60 to 80
Other Personal Secretaries and Stenographers (in open spaces)	50 to 60
Clerical staff	45 to 60

(*b*) Corridors and windows in new buildings to be so designed as to allow for the rearrangement, where necessary, of the rooms, so that, for example, three rooms for individual officers can be converted into a single large room for a number of junior officers working under supervision. The same adaptability to be assisted by the use, wherever possible, of half-glass partitioning;

(*c*) the standardizing of office equipment for each grade of officer;

(*d*) the provision of canteens and luncheon-time rest rooms in new buildings, to compensate for the reduced standard of accommodation;

(*e*) the provision of interviewing rooms (for the use of officers sharing accommodation) in new buildings;

(*f*) the sharing of single rooms by two or three personal secretaries;

(*g*) large units of junior or subordinate staff to work in one room.

5. The Government has now set up an official committee under the control of the Chief Secretary to apply these principles and standards.

APPENDIX C

GOVERNMENT STAFF HOUSING

In paragraph 43 of Sessional Paper No. 17 of 1954 the intention of Government with regard to staff housing is stated to be to move away, when general housing conditions permit, from the responsibility for housing its officers, except under certain conditions.

2. So far no steps have been taken to put this policy into effect: but with a total of 54,000 established posts in the Government Service and with the backlog in housing requirements, it is clear that the Government's financial resources will not be sufficient to provide housing for all its servants either now or in the future; it is therefore necessary that the Government should carry out an early examination to ascertain how the Lidbury recommendations can most satisfactorily be put into operation.

3. In carrying out such an examination it will be necessary to investigate the extent to which the allocation of Government quarters could be restricted to—

(*a*) officers already appointed and enjoying housing privileges;

(*b*) the provision of housing at institutions and out-stations where non-Government housing is not available;

(*c*) the accommodation of officers recruited from overseas, who cannot reasonably be expected to acquire their own houses; and

(*d*) a proportion of employees below a certain salary level.

At the same time the necessity for making it easier for new entrants to the Service, who will not be entitled to Government quarters, to acquire their own houses will require to be examined. If the allocation of Government quarters is not included within the terms and conditions of service, consideration will have to be given to the provision of alternative incentives to recruitment.

4. Whatever the outcome of this examination, there can be no doubt that the Government's residual responsibility for the provision of quarters for Government servants will be large; and the Government has accordingly considered whether it should not introduce changes in the present policy relating to the manner in which accommodation is made available.

5. There is, in general, no evidence that Government housing already provided is not fully used or that, for example, small families occupy unnecessarily large houses. Nevertheless the charge upon the Government amounts to some £1,000,000 per annum, exclusive of the Government's contribution to Local Authorities in lieu of rates, and it is important that every effort should be made to reduce the size of this burden, or at any rate to prevent any increase. The Government proposes to examine how this control can best be exercised, and in doing so will take into account the following considerations:—

(*a*) *Central Control*

At present all Government housing is either "pool" or "departmental" housing. "Pool" housing consists of houses for which those officers of any department who are on permanent or contract terms are eligible in accordance with an agreed "points" system. This system gives weight to such factors as income, seniority, length of service and family status. "Departmental" housing consists of houses which are earmarked for officers of a particular department and includes housing which, because of its siting and the exigencies of the service for which it is used, can only be allotted to a particular class of officer; this latter category is known as "Institutional" housing. Departmental housing has hitherto been under the control of the Department concerned. In the future, the Chief Secretary will accept the responsibility of deciding at any time whether a house should remain departmental, or should be placed in the "pool", and thus be open to competition from all eligible officers. It is hoped that this arrangement will ensure that all houses in all stations are used to the greatest possible advantage; and that no accommodation will be under-occupied on the grounds that it is reserved for a particular class of officer. As a corollary, it will in future be necessary for a department to secure the agreement of the Chief Secretary before erecting a new departmental house, whether institutional or not.

(*b*) *Higher Density Housing*

Although Government already owns or rents a number of Government flats, the majority of Government quarters in the larger centres are houses, sometimes with large gardens. This system is particularly uneconomical in towns like Nairobi and Mombasa, where rates are high, and where the charge for common services such as sewers are heavy. Quite apart from the substantial cost to Government of single houses on large plots, the cost to the individual tenant is increased by the upkeep of the plot, and the probable greater distances from schools, shops and public transport. The Government recognizes that there can be no sudden modification of the use of existing houses and plots; and, indeed, the siting of the houses, municipal by-laws and other factors would in many cases prevent any such change. The Government considers, however, that in the larger centres the future emphasis should be placed on the provision of flats and higher density housing. In this connexion, it is interesting to note that an investigation undertaken in Nairobi and Kisumu indicated that some 60 per cent of the European officers in those centres were either childless, or had only one child; a greater emphasis on the provision of flats is not likely, therefore, to place any hardship on those officials with large families or a penchant for landscape gardening. It should still be possible to find accommodation for them in existing housing.

(*c*) *Short-term Housing*

In general, there is no justification for lowering standards of Government housing in towns, although the type of building might be modified as suggested in (*b*) above. But in the case of housing for staff engaged on schemes outside the main centres, and particularly in the case of staff engaged on schemes which may only last for a limited period and which are so located that the housing cannot subsequently be used as "pool" housing the Government considers that greater use can be made of non-permanent housing. In future, the Government proposes to build such quarters in cases where a clear need for the housing is not foreseen for more than 20 years. Non-permanent housing may be built either in traditional local materials, or consist of prefabricated buildings which can be dismantled and re-erected elsewhere. It is recognized that the maintenance costs of such housing will be high in comparison with normal housing; but this additional cost should be more than offset by the saving on capital cost and loan charges. If a scheme originally intended as a short-term project, should develop into a permanent project, permanent housing would later be constructed. In constructing housing, the Government proposes to ensure that, bearing in mind the climatic conditions and needs of the locality, the fullest use is made of local materials. If a scheme is within reasonable distance of a Government station, the Government will first consider whether the officers working on the scheme could not more economically be accommodated in "pool" housing in the station.

(d) *Payment of Allowances in lieu of the provision of Government accommodation*

The true recurrent cost of Government-owned quarters is higher than might at first be thought. A fully comprehensive figure would include not only maintenance costs but contributions in lieu of rates, interest and amortization of capital, insurance risks borne by Government, provision and maintenance of furniture and administrative overheads; moreover, the rent charged to officers living in Government quarters is based on the recommendations of the Lidbury Report and is heavily subsidized. When all these factors are taken into consideration it becomes clear that the direct provision of housing by Government is not necessarily the most economical way of accommodating officers.

Although it is not usually possible for officers stationed outside the larger centres to obtain accommodation unless Government provides it, in a number of stations it is possible for officers to rent houses or flats, for which they are eligible to claim house allowance. In view of the shortage of capital, this practice is to be encouraged where accommodation can be rented at reasonable rates. There is, however, a need to review the present rates of house allowance in the light of the true cost of Government housing and market rents.

(e) *Private Ownership*

A review of costs has shown that it is at present far cheaper for an officer to rent a Government quarter than to own or rent his own house. In some cases it is even cheaper for an officer to live in an hotel, in which case he is eligible for a substantial measure of house allowance, than to live in a Government quarter. It is inevitable therefore that, unless certain changes were first made, the introduction of a policy whereby the Government moved away from the responsibility for housing its officers would be far from popular.

The officer owning his own house has to pay rates, and, if he borrows the capital cost of the house from a building society or elsewhere, interest; to these expenses must be added maintenance and other costs amounting to not less that 10 per cent of the capital value of the house. He is at present eligible for a house allowance at a rate calculated on the basis of 7 per cent of the capital value. This rate bears little relation either to the current commercial rental of houses in towns or to the actual maintenance and overhead costs of a house to-day.

Clearly it is desirable for many reasons that officers should be encouraged to own their own homes; one method of encouragement would be to remove in part the disparity in cost between living in a quarter provided by the Government or in an hotel, and living in one's own house.

With a view to encouraging officers to provide their own accommodation, thus reducing both recurrent commitments and the demands on the Government's available capital, the Government proposes—

(i) to review the rates of house allowance at present payable to officers owning their own houses, renting houses and living in hotels, so as to ensure that the scale of rates payable is a true reflection of Government housing policy in relation to present-day costs;

(ii) to review these rates every three years in the light of the money market rates of borrowing on housing loans current at the time;

(iii) to examine the possibility of using a proportion of the allocation of Development funds for staff housing to encourage officers to buy their own houses; this incentive might be provided by making advances against the 10 per cent minimum deposit required by building societies under the scheme whereby the Government and the Nairobi City Council guarantee building society loans up to 90 per cent of the value of the house;

(iv) to examine the possibility of paying a supplementary allowance for house to office running to officers living in their own houses, on the same basis as that paid to officers living in rented houses and Government quarters.

(g) Participation in Local Authority Housing Schemes

Bearing in mind that the Government is a major contributor to Local Authority rates, the employees of Government have as great a right to participate in the benefits of Local Authority housing schemes as any other ratepayer. It is proposed to take a greater advantage of this right. The Government will not, however, cease to take cognizance of its responsibility, as a large employer, to set an example in the provision of staff housing of the type normally included in such schemes.

G.P.K. 3130—1,750—12/56

G.P.K.

PRICE ONE SHILLING

COLONY AND PROTECTORATE OF KENYA

DEVELOPMENT PROGRAMME

N ILLUSTRATED
VERSION OF
ESSIONAL PAPER
No. 77 OF 1956 57

PART 1

GROWTH OF THE ECONOMY

National Income 1947-1955 3
Indicators of Expansion 1946-1955 4

PART 2

PLANNED EXPENDITURE 1957-1960

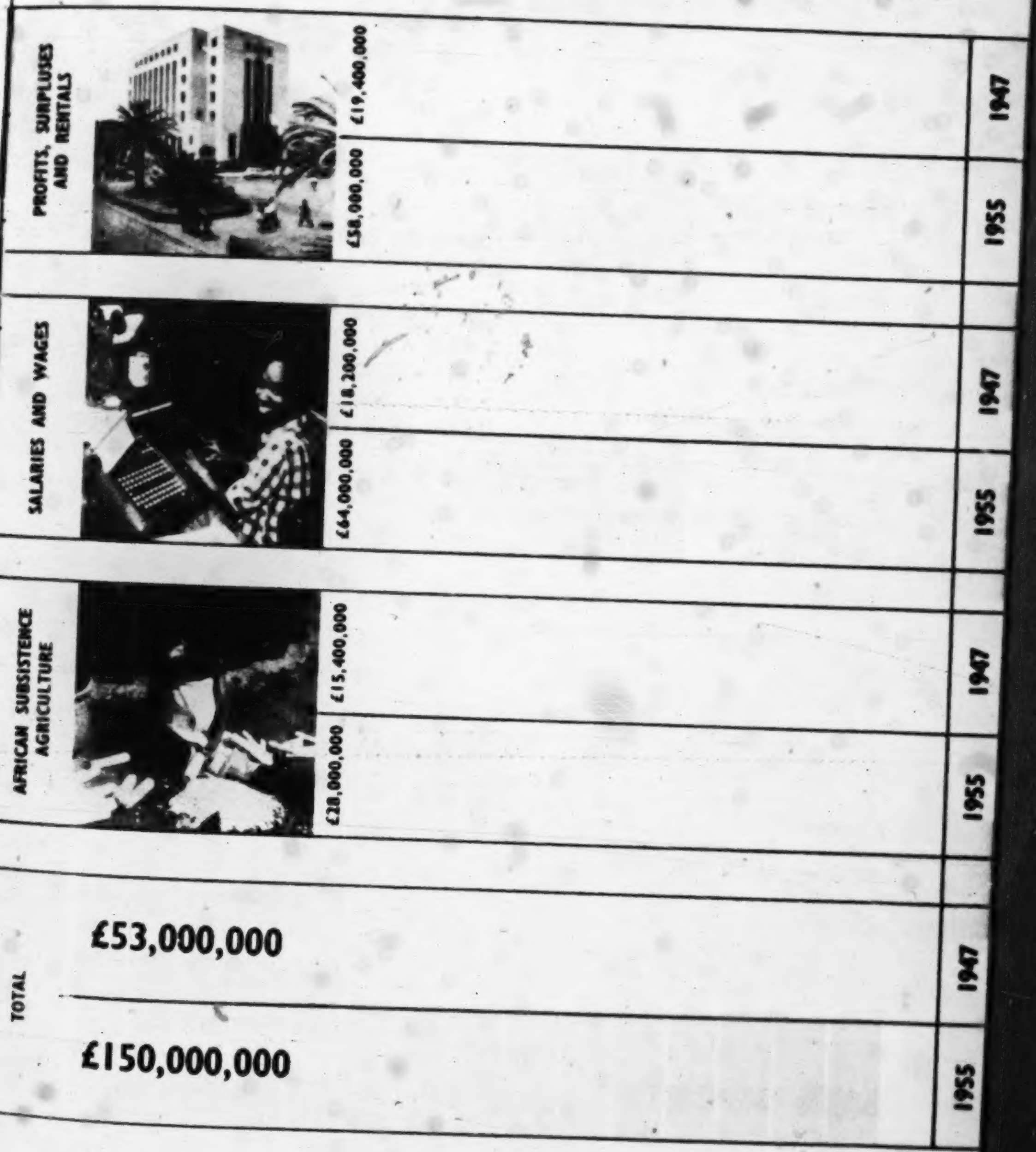
Development Funds 6
1954-57 Versus 1957-60 7
Economic Services 8
Social Services 9
Security Services 10
General Services 11

PART 3

IMPLICATIONS OF THE PLAN

National Debt 12
Recurrent Costs in 1960 13
Education 14
Agriculture (Swynnerton Plan) 14
Works Programme 15

NATIONAL INCOME 1947-1955



PART ONE

INDICATORS OF EXPANSIO

1946

POPULATION		5,227,000
WAGE BILL	Shs	£14,700,000
IMPORTS		£14,198,000
EXPORTS		£8,408,000
SALES OF ELECTRICITY		34,440,000 KWH.
BANK DEPOSITS	%	£23,836,000

1946-1955

1955

🧍	6,048,000
Shs	£67,100,000
🚢	£71,523,000
📦	£28,017,000
💡	194,640,000 KWH
%	£57,924,000

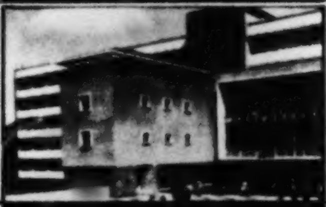
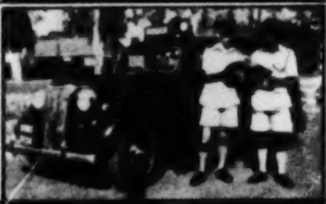
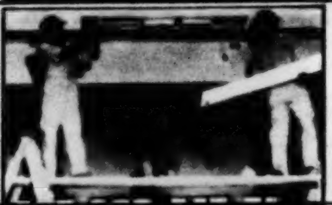
PART TWO

DEVELOPMENT FUNDS

LOAN PROGRAMME	£18,000,000
C. D. & W. GRANTS	£2,003,000
TRANSFERS FROM COLONY REVENUE	£1,019,000
FEES FOR DEVELOPMENT SERVICES	£760,000
GRANTS FROM I.C.A.	£250,000
TOTAL	£22,032,000

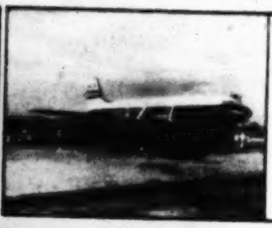
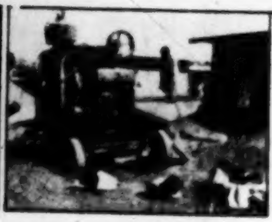
PART TWO 2

1954-57 VERSUS 1957-60

1954-57 - 3½ YEARS		1957-60 - 3 YEARS
61·5%		**64·7%**
£21,838,755	ECONOMIC SERVICES	**£15,091,400**
19·7%		**18·6%**
£7,003,353	SOCIAL SERVICES	**£4,340,295**
9·8%		**6·7%**
£3,497,791	SECURITY SERVICES	**£1,552,825**
9%		**10%**
£3,197,852	GENERAL SERVICES	**£2,344,930**

PART TWO

ECONOMIC SERVICES

AGRICULTURE		£8,467,000
ROADS		£2,000,000
AIRFIELDS		£1,092,000
WATER		£924,800
OTHER		£2,607,600

TOTAL £15,091,400

Planned Expenditure 1957-60

PART TWO 2

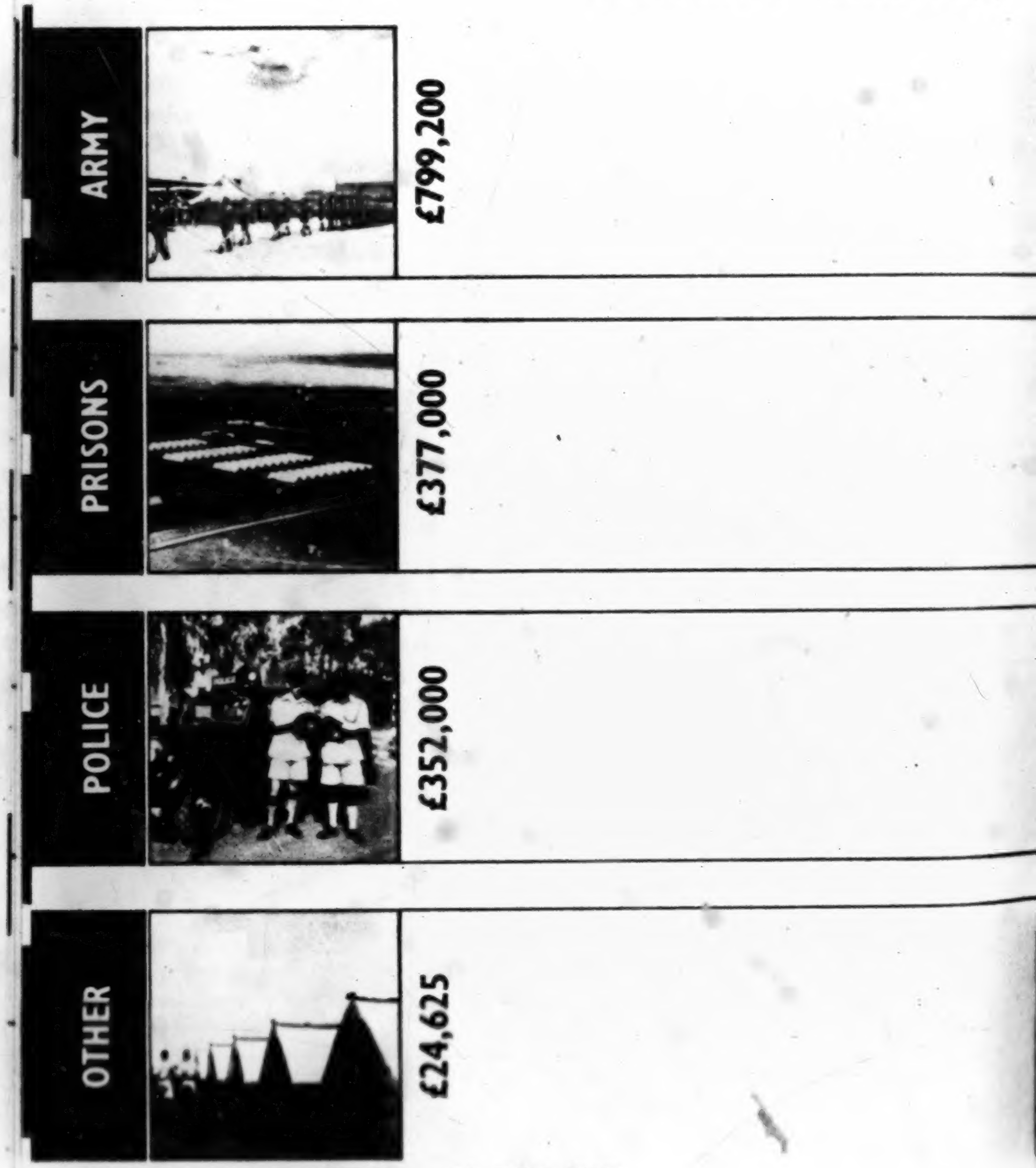
SOCIAL SERVICES

EDUCATION		**£2,210,275**
AFRICAN HOUSING		**£880,000**
HEALTH		**£818,000**
OTHER		**£432,020**

TOTAL £4,340,295

PART TWO

SECURITY SERVICES

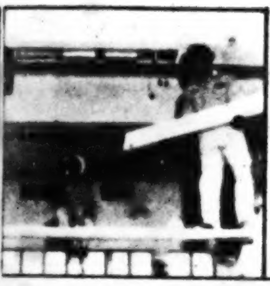


TOTAL £1,552,825

Planned Expenditure 1957-60

PART TWO 2

GENERAL SERVICES

PUBLIC WORKS Non-recurrent		£750,000
STAFF HOUSING		£600,000
P.W.D. BUILDINGS		£449,000
OTHER		£545,930

TOTAL £2,344,930

PART THREE

NATIONAL DEBT

1957	£2,000,000

ESTIMATED NET EXPENDITURE BY GOVERNMENT

1960	£3,000,000

RE-LENDING 1957-1960

LOCAL GOVERNMENT DEVELOPMENT SCHEMES	£2,080,000
LAND BANK AND LAND DEVELOPMENT	£1,300,000
AFRICAN HOUSING	£840,000
AFRICAN AGRICULTURAL DEVELOPMENT	£443,000
OTHER	£388,500

TOTAL £5,051,500

RECURRENT COSTS IN 1960

% LOAN CHARGES		£1,170,000
SCHOOLS	EUROPEAN	£103,600
	ASIAN	£141,000
	ARAB	£13,500
	AFRICAN	£298,750
	TECHNICAL AND TRADE SCHOOLS	£52,150
BUILDING MAINTENANCE		£75,000
OTHER		£281,300

EDUCATIO

SCHOOL POPULATION	1946	1955	1960
EUROPEAN	3,219	9,045	11,000
ASIAN	17,705	38,755	45,000
AFRICAN	209,318	398,398	700,000

AGRICULTURE (SWYNNERTON PLAN

VALUE OF CASH CROPS	1953	1955	1960 - 6
COFFEE	£555,300	£1277,250	£4398,000
COTTON	£550,000	£705,000	£705,000
RICE	£178,500	£297,500	£525,000
PINEAPPLES	£152,550	£155,500	£439,000
COCONUTS	£219,500	£258,000	£325,000
POTATOES	£80,000	£300,000	£300,000
OTHER	£182,350	£335,350	£715,700
TOTALS	£1918,200	£3328,600	£7,407700

PART THREE 3

WORKS PROGRAMME

BUILDINGS

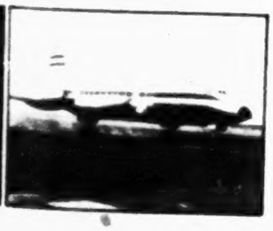
£4,028,600

ROADS

£2,000,000

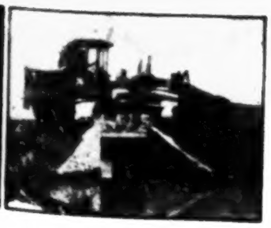
BUILDING AGENCY

£1,771,000



AIRFIELDS

£1,059,000



HYDRAULIC

£729,000

PREPARED BY THE ECONOMIC RESEARCH DIVISION KENYA TREASURY
PRINTED BY THE GOVERNMENT PRINTER, NAIROBI
PHOTOGRAPHS BY COURTESY OF THE DEPARTMENT OF INFORMATION
DESIGNED AND PRODUCED BY THE EAST AFRICAN ADVERTISING CONTRACTORS LIMITED